

INGENUITY CONSOLIDATED BERHAD

(f.k.a. Ingenuity Solutions Berhad)

(Company No. 609423-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2012

	UNAUDITED AS AT 30/9/2012 RM'000	AUDITED AS AT 31/03/2012 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	13,579	2,969
Intangible assets	5,749	6,149
Goodwill on consolidation	9,781	9,781
	29,109	18,899
CURRENT ASSETS		
Inventories	11,594	7,840
Trade receivables	53,663	38,616
Other receivables	27,902	4,649
Fixed deposits with licensed bank	1,000	2,800
Cash and cash equivalent	1,643	15,500
	95,802	69,405
TOTAL ASSETS	124,911	88,304
EQUITY AND LIABILITIES		
EQUITY		
Share capital	57,985	54,330
Reserves	(4,231)	(6,463)
	53,754	47,867
Non-Controlling Interest	(68)	-
TOTAL EQUITY	53,686	47,867
NON CURRENT LIABILITIES		
Deferred taxation	233	233
Term loan	5,102	-
Hire Purchase creditors	90	108
	5,425	341
CURRENT LIABILITIES		
Trade payables	61,094	33,152
Other payables	3,075	6,668
Hire Purchases creditors	40	43
Term loan	863	-
Tax payable	728	233
	65,800	40,096
TOTAL LIABILITIES	71,225	40,437
TOTAL EQUITY AND LIABILITIES	124,911	88,304
Net Assets per share attributable to Owners of the Parent (sen)	9.27	8.81

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012 and accompanying explanatory notes to this interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30/9/2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/9/2011 RM'000	CURRENT YEAR TO DATE ENDED 30/9/2012 RM'000	PRECEDING YEAR CORRESPONDING PERIOD ENDED 30/9/2011 RM'000
Revenue	143,723	10,653	273,570	13,481
Cost of Sales	(140,364)	(10,588)	(263,156)	(12,912)
Gross profit	3,359	65	10,414	569
Other operating income	479	0 *	836	0 *
Gain/ (loss) on foreign exchange	2	(0) *	1	(0) *
Depreciation	(268)	(69)	(470)	(138)
(Allowance)/ write back of allowance and (write off) for impaired receivables	-	24	-	25
(Allowance)/ write back of allowance and (write off) for impaired inventories	-	0 *	-	0 *
Finance costs	(81)	-	(83)	-
Other operating expenses	(4,323)	(1,035)	(7,878)	(1,827)
Results from operating activities	(832)	(1,015)	2,820	(1,371)
Interest income	5	6	50	7
(Loss)/ profit before taxation	(827)	(1,009)	2,870	(1,364)
Taxation	(226)	-	(706)	-
(Loss)/ profit after taxation for the period	(1,053)	(1,009)	2,164	(1,364)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive (loss)/ income for the period	(1,053)	(1,009)	2,164	(1,364)
Total (loss)/ profit / Comprehensive (loss)/ income attributable to :				
Owners of the parent	(985)	(1,009)	2,232	(1,364)
Non-Controlling Interest	(68)	-	(68)	-
	(1,053)	(1,009)	2,164	(1,364)
Basic (loss)/ earnings per share (sen)	(0.18)	(0.30)	0.41	(0.57)
Diluted earnings per share (sen)	(0.15)	N/A	0.36	N/A

Note:

* - Denotes amount less than RM1,000.00

Included in cost of sales, an amortisation of development cost of RM 0.20 million for Q2-2012/13 (RM 0.25 million - Q2-2011/12) & current year to-date of RM 0.40 million and preceding correspondence year to-date of RM 0.51 million respectively.

During the quarter and Year-To-Date under review, there is no gain/(loss) on disposal of quoted or unquoted investments or properties, impairment of assets and gain/(loss) on derivatives.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012 and accompanying explanatory notes to this interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012**

Attributable to Equity Holders of the Company

..... Non-distributable

	Share capital RM'000	Share premium RM'000	Merger deficit RM'000	Warrants reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- Controlling interests RM'000	Total equity RM'000
As at 1 April 2012	54,330	12,153	(7,900)	8,208	(18,924)	47,867	-	47,867
<u>Transactions with owners:</u>								
Subscription of shares in subsidiary companies	-	-	-	-	-	-	0 *	0 *
Conversion of warrants	3,655	1,645	-	(1,645)	-	3,655	-	3,655
Total transactions with owners	3,655	1,645	-	(1,645)	-	3,655	0 *	3,655
Total comprehensive income/ (loss) for the period	-	-	-	-	2,232	2,232	(68)	2,164
As at 30 September 2012	57,985	13,798	(7,900)	6,563	(16,692)	53,754	(68)	53,686
Balance as at 1 April 2011	14,559	12,864	(7,900)	-	(7,511)	12,012	-	12,012
<u>Transactions with owners:</u>								
Right issue funds received	24,319	-	-	-	-	24,319	-	24,319
Right issue expenses	-	(695)	-	-	-	(695)	-	(695)
Right issue warrant reserve	-	-	-	8,208	(8,208)	-	-	-
Total transactions with owners	24,319	(695)	-	8,208	(8,208)	23,624	-	23,624
Total comprehensive loss for the period	-	-	-	-	(1,364)	(1,364)	-	(1,364)
As at 30 September 2011	38,878	12,169	(7,900)	8,208	(17,083)	34,272	-	34,272

* - Denotes amount less than RM1,000.00

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012 and accompanying explanatory notes to this interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

	CURRENT YEAR TO DATE ENDED 30/9/2012 RM'000	PRECEDING YEAR TO DATE ENDED 30/9/2011 RM'000
Cash Flows From Operating Activities		
Profit/ (loss) before tax	2,870	(1,364)
Adjustments for :		
Non-cash items	869	621
Non-operating items	33	(7)
Operating profit/ (loss) before working capital changes	3,772	(750)
Changes in working capital		
Inventories	(3,755)	(232)
Receivables	(38,299)	(10,040)
Payables	24,350	172
Cash generated from/ (used in) operations	(13,932)	(10,850)
Tax paid	(211)	-
Interest received	50	-
Interest paid	(83)	7
Net cash used in operating activities	(14,176)	(10,843)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(11,085)	(45)
Proceeds from disposal of property, plant and equipment	6	-
Net cash used in investing activities	(11,079)	(45)
Cash Flows Financing Activity		
Proceeds from issuance of shares	3,655	24,319
Proceeds from investment by non-controlling interest	0 *	-
Drawdown of term loan	6,030	(695)
Repayment of obligations under hire purchase	(21)	-
Repayment of obligations under term loan	(66)	-
Net cash from financing activity	9,598	23,624
Cash And Cash Equivalents		
Net (decrease) / increase	(15,657)	12,736
Cash And Cash Equivalent At Beginning of Period	17,300	1,000
Cash And Cash Equivalent At End of Period	1,643	13,736
Cash and Cash Equivalents Comprise of :		
Cash and bank balances	1,643	11,536
Fixed deposits with a licensed bank	1,000	2,200
	2,643	13,736
Fixed deposits pledged with licensed bank	(1,000)	-
	1,643	13,736

* - Denotes amount less than RM1,000.00

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012 and accompanying explanatory notes to this interim financial statements.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN REPORTING STANDARD 134 ("MFRS 134") - INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 - "Interim Financial Reporting" in Malaysia and IAS 34, Interim Financial Reporting and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for ACE Market. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual audited financial statement of the Group for the financial year ended 31 March 2012. The consolidated financial statements of the Group as at end of the year ended 31 March 2012 were prepared in accordance with Financial Reporting Standards ("FRSs").

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. The transition to MFRS framework does not have any significant financial impact to the financial statements of the Group.

A2 Auditors' Report of Preceding Annual Financial Statements

There were no qualifications to the audited financial statements for the Company and its subsidiaries for the financial year ended 31 March 2012.

A3 Seasonal or cyclical factors

The Group is subjected to the cyclical effects of the global and Malaysia technology industry.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

During the quarter under review, there were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5 Changes in estimates

There were no significant changes in the estimates of amounts reported which have a material effect in the current quarter results under review.

A6 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter except for the issuance of 36,551,600 ordinary shares of RM0.10 each, pursuant to the conversion of warrants.

A7 Dividend

There was no dividend paid during the quarter under review.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

A8 Segmental Information

Segment information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:-

- | | |
|----------------------------------|---|
| (i) ICT Distribution | Distribution of volume ICT products to resellers and telecommunication devices to resellers and retailers |
| (ii) Business software solutions | Enterprise and Hotel Management solutions |

Segmental information for the Group is presented as follows:

<u>6 months financial period</u> <u>ended 30 September 2012</u>	ICT Distribution RM'000	Business Software Solutions RM'000	Other non-reportable segment RM'000	Total RM'000	Elimination RM'000	Total RM'000
Sales to external customer	268,947	4,623	-	273,570	-	273,570
Inter-segment sales	-	-	-	-	-	-
Total sales	268,947	4,623	-	273,570	-	273,570
Profit/ (loss) before tax	2,491	1,178	(799)	2,870	-	2,870

<u>6 months financial period</u> <u>ended 30 September 2011</u>	ICT Distribution RM'000	Business Software Solutions RM'000	Other non-reportable segment RM'000	Total RM'000	Elimination RM'000	Total RM'000
Sales to external customer	9,886	3,595	-	13,481	-	13,481
Inter-segment sales	-	-	-	-	-	-
Total sales	9,886	3,595	-	13,481	-	13,481
Profit/ (loss) before tax	21	(1,030)	(355)	(1,364)	-	(1,364)

A9 Valuation of property, plant and equipment

The Group did not carry out any revaluation on its assets since the previous audited financial statements.

A10 Material events subsequent to the end of the interim reporting period

There were no events subsequent to the end of the period under review.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

A11 Changes in the composition of the Group

On 13 June 2012, Ingens Sdn Bhd (formerly known as Ingens Network Sdn Bhd) ("Ingens"), a wholly-owned subsidiary of Vistavision Resources Sdn Bhd ("VVR"), which is ultimately wholly-owned by Ingenuity Consolidated Berhad ("ICB") (f.k.a Ingenuity Solutions Berhad), has incorporated a 100% owned subsidiary, Ingens Direct Sdn Bhd ("Ingens D") under the Companies Act, 1965.

The authorized share capital of Ingens D is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. The total issued and paid-up capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

Ingens D will be involved in manufacturing, assembling, refurbishment and installation of modem and other information communication technology (ICT) devices including logistics and distribution of ICT products and services.

On 14 June 2012, Ingens DSS Sdn Bhd ("IDSS") (formerly known as DSS Distribution Sdn Bhd), a wholly owned subsidiary company of Ingens, which is ultimately wholly owned by ICB, has incorporated a 60% owned subsidiary, DSS Ikhlas Sdn Bhd ("DSSI") under the Companies Act, 1965.

The authorised share capital of DSSI is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. The total issued and paid-up capital is RM10.00 comprising 10 ordinary shares of RM1.00 each.

DSSI will be involved in import, export, retail, trading, marketing and promoting all types of consumable products including telecommunication, IT and multimedia accessories.

On 1 August 2012, Ingens, a wholly-owned subsidiary of VVR, which is ultimately wholly-owned by ICB, has incorporated a 51% owned subsidiary, Ninezte Sdn Bhd ("Ninezte") under the Companies Act, 1965.

The authorized share capital of Ingens D is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. The total issued and paid-up capital is RM100.00 comprising 100 ordinary shares of RM1.00 each.

Ninezte will be involved in Distribution of Information Communication Technology (ICT) hardware and software, accessories and devices, and all related services.

On 16 August 2012, Vistavision Resources Sdn Bhd ("VVR"), a wholly-owned subsidiary of ICB, has incorporated a 51% owned subsidiary, Unified Synergy Sdn Bhd ("USSB") under the Companies Act, 1965.

The authorised share capital of USSB is RM100,00.00 divided into 100,000 ordinary shares of RM1.00 each. The total issued and paid-up capital is RM100.00 comprising 100 ordinary shares of RM1.00 each.

USSB will be involved in marketing of telecommunication and IT equipment services, products and solutions.

On 2 November 2012, the wholly owned subsidiary, VVR had increased its investment in its wholly owned subsidiary, Inconnexion Communication Sdn Bhd ("INCONNEX") from RM2.00 to RM1,000,000.00 representing its 100% equity participation in INCONNEX.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

A12 Contingent Assets and Contingent Liabilities

The amounts of contingent liabilities as at the end of the current financial period as follows:

	30/9/2012 RM'000
Bank guarantee - secured over fixed deposit of a subsidiary company	1,000
Corporate guarantees to suppliers for trade credit facilities granted to subsidiary company	54,000
Corporate guarantees to financial institution for term loan and other banking facilities granted to subsidiary company	8,030
	<u>63,030</u>

A 13 Significant Related Party Transactions

The significant related party transactions of the Group are as follows:

	Current Year- To- Date ended 30/9/2012 RM'000
(i) Supplies of desktops / laptops hardware & other peripherals	70,125,223
(ii) Supplies of telecommunication devices & other peripherals	<u>904,902</u>
(i) Purchase of IT notebooks and computers	(15,264,790)
(ii) Rental expenses	<u>(243,732)</u>

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") FOR THE ACE MARKET

B1 Review of performance of the Company and its principal subsidiaries

The Group revenue for the 6 months ended 30 September 2012 (Q2-2012/13) of RM 273.57 million represents an improvement of RM 260.09 million as compared to RM13.48 million in corresponding quarter (Q2-2011/12) of the preceding year. The increase is mainly contributed by the ICT distribution business from Vistavision Resources Group ("VVR").

The Group registered a pre-tax profit of RM 2.87 million in Q2-2012/13 as compared to pre-tax loss of RM 1.36 million in Q2-2011/12. The improved in pre-tax profit mainly contributed by pre-tax profit of RM 2.49 million from ICT Distribution and RM 1.18 million from Business software solutions after setting off against pre-tax loss RM 0.80 million incurred non-reportable segment.

(i) ICT Distribution

ICT distribution revenue for 6 months ended 30 September 2012 was RM 268.95 million. The revenue mainly derived from the distribution segment which includes IT hardware ranging from laptops, desktops, telecommunications products to other ICT accessories of major brands notably Acer, Toshiba, ZTE, Samsung and P1 Wimax brand of modems. ICT Distribution registered a pre-tax profit of RM 2.49 million for the current quarter as compared to previous corresponding quarter of pre-tax profit of RM 0.02 million with an improvement in pre-tax profit of RM 2.47 million.

(ii) Business Software Solutions

Business software solutions revenue for the 6 months ended 30 September 2012 was RM 4.62 million with an improvement of RM 1.02 million representing 28.3% increase compared to RM 3.60 million in previous corresponding financial quarter. Business software solutions recorded a pre-tax profit of RM 1.18 million as compared to previous corresponding quarter of pre-tax loss of RM1.03 million mainly due to improvement from improved in sales of enterprise systems solutions.

B2 Material change in the quarterly results compared to the results of the immediate preceding quarter

The current quarter (Q2-2012/13) revenue of RM 143.72 million represents an increase of RM 13.87 million as compared to immediate preceding quarter (Q1-2012/13) revenue of RM 129.85 million. Current quarter incurred a pre-tax loss of RM 0.83 million as compared to pre-tax profit of RM3.70 million for the immediate preceding quarter. The pre-tax loss for the current quarter under review mainly due to lower contribution from Business software solutions segment as compared to immediate preceding quarter and increased in operating expenses.

B3 Current year prospects

The Group will continue to step up its effort in expanding and establishing a strong foothold in the telecommunication as distribution and services segments apart from computer hardware and business software solutions.

Barring any unforeseen circumstances, the Company aims to achieve a satisfactory financial performance for the financial year ending in 2013.

B4 Profit Forecast/Profit Guarantee

The Company has entered a profit guarantee with the Vendors that the forecast audited profit after tax of Vistavision Resources Sdn Bhd ("VVR") shall not be less than RM2.50 million for the financial year ending 31 December 2012. The VVR is fairly confident of meeting the profit guarantee.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

B5 Taxation

In respect of the quarter/ year to date :-

- Malaysia income tax
- Deferred tax

	Current Quarter Ended 30/9/2012 RM'000	Current Year-To- Date Ended 30/9/2012 RM'000
	226	706
	-	-
	226	706

The effective tax rate of the of the Group for the current quarter and year to-date is lower than the Malaysian statutory tax rate due to utilisation of unabsorbed losses by subsidiary company.

B6 Corporate proposals

Status of corporate proposals announced but not completed as at 15 November 2012 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report).

(i) Status of utilisation of proceeds raised by the Company

As at 30 September 2012, the rights issue proceeds raised from the Company's right issue exercise is utilised as follows :

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for Utilisation	Deviation RM'000	Deviation %	Remark
Expansion of existing business	23,319	23,624	within 24 months	305	1%	
Corporate exercise expenses	1,000	695	within 3 months	(305)	30%	See * below
	24,319	24,319		-		

During the quarter under review, the Company had fully utilised the proceeds raised from the rights issue.

* For any decrease in the corporate exercise expenses, utilisation for the expansion of existing business will increase correspondingly.

(ii) Corporate Exercise

On 2 March 2012, Hong Leong Investment Bank Berhad ("HLIB") had, on behalf of the Board of Directors of Ingenuity Consolidated Berhad ("ICB") (f.k.a Ingenuity Solutions Berhad), announced that ICB proposes to undertake the Proposals which entail the followings:

- (a) Proposed private placement of new ordinary shares of RM0.10 each in the in ICB ("ICB Shares"), representing up to 30% of the issued and paid-up share capital of ICB ("Placement Shares") ("Proposed Private Placement").
- (b) Proposed establishment of an employees' share option scheme ("ESOS") of up to 30% of the issued and paid-up share capital of ICB for the eligible employees and directors of ICB and its subsidiaries ("ICB Group") ("Proposed ESOS").
- (c) Proposed increase in the authorised share capital of the Company from RM100,000,000.00 comprising 1,000,000,000 ICB Shares to RM200,000,000.00 comprising 2,000,000,000 ICB Shares ("Proposed Increase in Authorised Share Capital"); and
- (d) Proposed amendments to the Memorandum and Articles of Association of ICB ("M&A") ("Proposed M&A Amendments").

On 3 April 2012, HLIB had, on behalf of the Board of Directors of ICB, announced that ICB have submitted the listing application to Bursa Malaysia Securities Berhad for the Proposals.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

B6 Corporate proposals (Cont'd)

(iii) Change of name

On 2 March 2012, the Board of Directors of ISB announced that the Company is proposing to change its name from "Ingenuity Solutions Berhad" to "Ingenuity Consolidated Berhad" ("Proposed Change of Name"). The Proposed Change of Name had approved by the shareholders of ISB on the 9th AGM held on 20th September 2012. The Company had on 27th September 2012 received the Certificate of Incorporation on Change of Name of Company (Form 13) dated 26th September 2012 issued by the Registrar of Companies.

In accordance with Section 23(2) of the Companies Act, 1965, the Company's name is changed to "Ingenuity Consolidated Berhad" ("ICB") with effect from 26th September 2012.

B7 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

B8 Borrowing and debts Securities

The Group's borrowings as at 30 September 2012 are as follows :-

	RM'000
Non Current	
- Hire purchase	90
- Term loan	5,102
	<hr/>
	5,192
	<hr/>
Current	
- Hire purchase	40
- Term loan	863
	<hr/>
	903
	<hr/>

B9 Material litigations

As at 15 November 2012 (being the latest practical date which is not earlier than 7 days from the date of issue of this Quarterly Report), the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceeding pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

B10 Dividends

No interim dividend has been declared during the quarter under review.

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

B11 Earnings Per Share

(i) Basic Earnings Per Share

	Current Year Quarter Ended 30/9/2012	Current Year To- Date Ended 30/9/2012
Profit attributable to Owners of the Parent (RM'000)	(985)	2,232
Weighted average number of shares in issue ('000)	550,894	547,116
Basic earning per share (sen)	(0.18)	0.41

(ii) Diluted Earnings Per Share

	Current Year Quarter Ended 30/9/2012	Current Year To- Date Ended 30/9/2012
Profit attributable to the Owners of the Parent (RM'000)	(985)	2,232
Weighted average number of the shares in issue (' 000)	550,894	547,116
Effects of dilution		
- Warrants ('000)	97,109	68,399
	648,003	615,516
Diluted earnings per share (sen)	(0.15)	0.36

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NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

B12 Disclosure of Realised And Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed companies to disclose the breakdown of the unappropriated profits or accumulated losses as at end of the reporting period, into realised and unrealised profits or losses. On 20 December 2010, Bursa Malaysia further issue guidance on the disclosure and the format required.

The determination of realised and unrealised profits is based on the Guideline of Special Matter No.1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirement, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits mentioned above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The breakdown accumulated losses of the Group as at the reporting date is as follows:

	As at 30/9/2012 RM'000	As at 31/3/2012 RM'000
Total accumulated losses of the Group :		
- Realised	(19,171)	(21,403)
-Unrealised	(233)	(233)
	<u>(19,404)</u>	<u>(21,636)</u>
Consolidated adjustments	2,712	2,712
	<u>(16,692)</u>	<u>(18,924)</u>

By Order of the Board

Wong Hun Liang

Executive Director