

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 31 MARCH 2013

	UNAUDITED AS AT 31/3/2013 RM'000	AUDITED AS AT 31/03/2012 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	17,643	2,969
Intangible assets	5,350	6,149
Goodwill on consolidation	9,781	9,781
	<u>32,774</u>	<u>18,899</u>
CURRENT ASSETS		
Inventories	15,240	7,840
Trade receivables	67,032	38,616
Other receivables	4,516	4,649
Fixed deposits with licensed bank	1,067	2,800
Cash and cash equivalent	5,508	15,500
	<u>93,363</u>	<u>69,405</u>
TOTAL ASSETS	<u>126,137</u>	<u>88,304</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	57,985	54,330
Reserves	(579)	(6,463)
	<u>57,406</u>	<u>47,867</u>
Non-Controlling Interest	(183)	-
TOTAL EQUITY	<u>57,223</u>	<u>47,867</u>
NON CURRENT LIABILITIES		
Deferred taxation	267	233
Borrowings	5,380	108
	<u>5,647</u>	<u>341</u>
CURRENT LIABILITIES		
Trade payables	56,234	33,152
Other payables	4,309	6,668
Borrowings	2,481	43
Tax payable	243	233
	<u>63,267</u>	<u>40,096</u>
TOTAL LIABILITIES	<u>68,914</u>	<u>40,437</u>
TOTAL EQUITY AND LIABILITIES	<u>126,137</u>	<u>88,304</u>
Net Assets per share attributable to Owners of the Parent (sen)	<u>9.90</u>	<u>8.81</u>

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 FOURTH QUARTER ENDED 31 MARCH 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER	CORRESPONDING	YEAR TO DATE	CORRESPONDING
	ENDED	QUARTER ENDED	ENDED	PERIOD ENDED
	31/3/2013	31/3/2012	31/3/2013	31/3/2012
	RM'000	RM'000	RM'000	RM'000
Revenue	136,290	37,476	553,509	63,930
Cost of Sales	(132,881)	(36,311)	(531,019)	(61,627)
Gross profit	3,409	1,165	22,490	2,303
Other operating income	277	26	1,585	26
Gain/ (loss) on foreign exchange	72	33	70	33
Depreciation	(415)	(125)	(1,255)	(341)
(Allowance)/ write back of allowance and (write off) for impaired receivables	(101)	2	(101)	27
(Allowance)/ write back of allowance and (write off) for impaired inventories	(85)	(1)	(85)	1
Finance costs	(149)	(21)	(347)	(21)
Other operating expenses	(3,044)	(2,313)	(15,527)	(5,198)
Results from operating activities	(36)	(1,234)	6,830	(3,170)
Interest income	-	16	51	39
Profit/ (loss) before taxation	(36)	(1,218)	6,881	(3,131)
Taxation	(138)	(74)	(1,181)	(74)
Profit/ (loss) after taxation for the period	(174)	(1,292)	5,700	(3,205)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income/ (loss) for the period	(174)	(1,292)	5,700	(3,205)
Total profit/ (loss) / Comprehensive income/ (loss) attributable to :				
Owners of the parent	(71)	(1,292)	5,884	(3,205)
Non-Controlling Interest	(103)	-	(184)	-
	(174)	(1,292)	5,700	(3,205)
Basic (loss)/ earnings per share (sen)	(0.01)	(0.28)	1.04	(0.97)
Diluted (loss)/ earnings per share (sen)	(0.01)	N/A	0.98	N/A

Note:

N/A - Not applicable

Included in cost of sales, an amortisation of development cost of RM 0.20 million for Q4-2012/13 (RM 0.25 million - Q4-2011/12) & current year to-date of RM 0.80 million and preceding correspondence year to-date of RM 1.02 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 FOURTH QUARTER ENDED 31 MARCH 2013

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 *
Disposal of a subsidiary company	-	-	-	-	-	-	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	1	3,656
Total comprehensive income/ (loss) for the year	-	-	-	-	5,884	5,884	(184)	5,700
As at 31 March 2013	57,985	13,798	(7,900)	6,563	(13,040)	57,406	(183)	57,223
Balance as at 1 April 2011	14,559	12,863	(7,900)	-	(7,511)	12,011	-	12,011
<u>Transactions with owners:</u>								
Right issue funds received	24,319	-	-	-	-	24,319	-	24,319
Right issue expenses	-	(710)	-	-	-	(710)	-	(710)
Right issue warrant reserve	-	-	-	8,208	(8,208)	-	-	-
Acquisition of subsidiary company	15,452	-	-	-	-	15,452	-	15,452
Total transactions with owners	39,771	(710)	-	8,208	(8,208)	39,061	-	39,061
Total comprehensive loss for the year	-	-	-	-	(3,205)	(3,205)	-	(3,205)
As at 31 March 2012	54,330	12,153	(7,900)	8,208	(18,924)	47,867	-	47,867

* - 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 FOURTH QUARTER ENDED 31 MARCH 2013**

	CURRENT YEAR TO DATE ENDED 31/3/2013 RM'000	PRECEDING YEAR TO DATE ENDED 31/3/2012 RM'000
Cash Flows From Operating Activities		
Profit/ (loss) before tax	6,881	(3,131)
Adjustments for :		
Non-cash items	2,323	1,337
Non-operating items	296	(39)
Operating profit/ (loss) before working capital changes	<u>9,500</u>	<u>(1,833)</u>
Changes in working capital		
Inventories	(7,485)	480
Receivables	(28,209)	(8,054)
Payables	21,657	(3,223)
Cash generated from/ (used in) operations	<u>(4,537)</u>	<u>(12,630)</u>
Tax paid	(1,137)	(15)
Interest received	51	39
Interest paid	(347)	-
Net cash used in operating activities	<u>(5,970)</u>	<u>(12,606)</u>
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(16,194)	(1,258)
Proceeds from disposal of property, plant and equipment	7	-
Net cash inflow from acquisition of subsidiary company	-	6,555
Net cash (used in)/ from investing activities	<u>(16,187)</u>	<u>5,297</u>
Cash Flows Financing Activity		
Proceeds from issuance of shares, net of share issuance expenses	3,655	23,609
Proceeds from investment by non-controlling interest	0 *	-
Drawdown of term loan	6,030	-
Drawdown of loan	2,000	-
Repayment of obligations under hire purchase	(43)	-
Repayment of obligations under term loan	(277)	-
Net cash from financing activity	<u>11,365</u>	<u>23,609</u>
Cash And Cash Equivalents		
Net (decrease) / increase	(10,792)	16,300
Cash And Cash Equivalent At Beginning of Year	<u>17,300</u>	<u>1,000</u>
Cash And Cash Equivalent At End of Year	<u>6,508</u>	<u>17,300</u>
Cash and Cash Equivalents Comprise of :		
Cash and bank balances	5,508	15,500
Fixed deposits with a licensed bank	1,067	2,800
	<u>6,575</u>	<u>18,300</u>
Fixed deposits pledged with licensed bank	(67)	(1,000)
	<u>6,508</u>	<u>17,300</u>

* - 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 FOURTH QUARTER ENDED 31 MARCH 2013

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.

A7 Dividend

There was no dividend paid during the quarter under review.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

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>For the financial year</u> <u>ended 31 March 2013</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	541,178	12,331	-	553,509	-	553,509
Inter-segment sales	-	-	-	-	-	-
Total sales	541,178	12,331	-	553,509	-	553,509
Profit/ (loss) before tax	3,422	4,567	(1,108)	6,881	-	6,881
<u>For financial year</u> <u>ended 31 March 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	55,163	8,767	-	63,930	-	63,930
Inter-segment sales	-	-	-	-	-	-
Total sales	55,163	8,767	-	63,930	-	63,930
Profit/ (loss) before tax	159	(2,256)	(1,034)	(3,131)	-	(3,131)

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 FOURTH QUARTER ENDED 31 MARCH 2013

A11 Changes in the composition of the Group

- (i) 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.

- (ii) 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.

- (iii) 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 Ninezte 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.

- (iv) 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.

- (v) 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.

- (vi) On 26 November 2012, Vistavision Resources Sdn Bhd ("VVR"), a wholly owned Ingenuity Consolidated Berhad ("ICB") (f.k.a Ingenuity Solutions Berhad), has incorporated a wholly owned subsidiary, Ingens Commerce Sdn Bhd ("Ingens Com") under the Companies Act, 1965.

The authorised share capital of Ingens Com 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 Com will be involved in trading, reselling, retailing, marketing and promoting of all types of information technology and telecommunication and multimedia products, software, accessories and services.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

A11 Changes in the composition of the Group (Cont'd)

(vii) On 8 January 2013, Ingens Sdn. Bhd. ("Ingens"), a wholly owned sub-subsidiary of Ingenuity Consolidated Berhad ("ICB") had on 8 January 2013 disposed its entire shareholding of 51 ordinary shares of RM 1.00 each, representing 51% equity interest in Ninezte Sdn Bhd ("Ninezte") to existing shareholder, Ninetology Marketing Sdn. Bhd. for a cash consideration of RM1.00 ("the Disposal"). Subsequent to the disposal, Ninezte shall cease to be a subsidiary of Ingens.

(viii) On 21 January 2013, Ingenuity Consolidated Berhad ("ICB") (f.k.a Ingenuity Solutions Berhad), has incorporated a wholly owned subsidiary, DPEG Services Sdn Bhd ("DPEG") under the Companies Act, 1965.

The authorised share capital of DPEG 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.

DPEG will be involved in providing courier services, delivery services and payment gateway services.

A12 Contingent Assets and Contingent Liabilities

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

	As at 31/3/2013 RM'000
Bank guarantee - secured over fixed deposits	67
Corporate guarantees to suppliers for trade credit facilities granted to subsidiary company	57,000
Corporate guarantees to financial institution for term loan and other banking facilities granted to subsidiary company	8,030
	65,097
	65,097

A 13 Significant Related Party Transactions

The significant related party transactions with companies in which a Director and major shareholder has interest are as follows:

	Current Year- To- Date ended 31/3/2013 RM
(i) Supplies of desktops / laptops hardware & other peripherals	146,740,765
(ii) Supplies of telecommunication devices & other peripherals	3,221,256
	(49,000,893)
(i) Purchase of IT notebooks, computers and computer accessories	(3,994,690)
(ii) Purchase of telecommunication products & other peripherals	(731,196)
(iii) Rental expenses	(731,196)

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

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 financial year ended 31 March 2013 was RM 553.51 million represents an improvement of RM 489.58 million as compared to RM 63.93 million in the corresponding period in year 2012. The improvement in revenue for the financial year ended 2013 was due to full year financial results of Vistavision Resources Group ("VVR") was consolidated into ICB's group compared to only one month (March'12) financial results for financial year ended 2012 as the acquisition of VVR was completed towards end of February 2012.

The Group registered a pre-tax profit of RM 6.88 million for the financial year ended 31 March 2013 as compared to pre-tax loss of RM 3.13 million of the corresponding financial year in 2012. The improvement in pre-tax profit was mainly contributed by pre-tax profit of RM 3.42 million from ICT Distribution and RM 4.57 million from Business software solutions after setting off against pre-tax loss RM 1.11 million incurred non-reportable segment.

(i) ICT Distribution

ICT distribution revenue for financial year ended 31 March 2013 was RM 541.18 million. The revenue was 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, MSI, Samsung and P1 Wimax brand of modems. For the financial year ended 31 March 2013, ICT Distribution registered a pre-tax profit of RM 3.42 million as compared to pre-tax profit of RM 0.16 million in the corresponding period in 2012 with an improvement in pre-tax profit of RM 3.26 million. The improvement in pre-tax profit was mainly due to the full year financial contribution from VVR as compared to only one month (March'12) VVR contribution in financial year ended 31 March 2012.

(ii) Business Software Solutions

Business software solutions revenue for the financial year ended 31 March 2013 was RM 12.33 million with an improvement of RM 3.56 million representing 40.6% increase compared to RM 8.77 million in the corresponding period in year 2012. Business software solutions recorded a pre-tax profit of RM 4.57 million as compared to pre-tax loss of RM 2.26 million in the corresponding period in year 2012 was mainly due to increase in the Business Software Solutions revenue during the financial year.

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

The current quarter (Q4 -2012/13) revenue was RM 136.29 million represents a decrease of RM 7.36 million as compared to immediate preceding quarter (Quarter 3-2012/13) revenue of RM 143.65 million. Current quarter recorded a pre-tax loss of RM 0.04 million as compared to a pre-tax profit of RM 4.05 million for the immediate preceding quarter. The decrease in pre-tax profit for the current quarter under review was mainly due to lower contribution from ICT Distribution and Business software solutions and higher operating costs incurred for non-operating segment as compared to immediate preceding quarter.

B3 Prospects

(Commentary on next year)

Having turned around and returning back to profitability in financial year ended 31 March 2013, the Group expects a continued competitive operating environment for the next year in view of soft global economy. The Group will be focusing efforts on growing market shares of ICT distribution, Business software solutions, IT telecommunications products distribution businesses.

Barring any unforeseen circumstances, the Board remains cautiously optimistic of its performance for the next quarter.

B4 Profit Forecast/Profit Guarantee

The Company has entered a profit guarantee with the Vendors that the 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. There were no shortfall in the profit guaranteed by the Vendor for the period.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

B5 Taxation

	Current Quarter Ended 31/3/2013 RM'000	Current Year-To- Date Ended 31/3/2013 RM'000
In respect of the quarter/ year to date :-		
- Malaysia income tax	104	1,147
-Deferred tax	34	34
	138	1,181

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 previous years' tax losses in a subsidiary.

B6 Corporate proposals

Status of corporate proposals announced but not completed as at 23 May 2013 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report).

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 proposed to undertake Proposed Private Placement of new ordinary shares of RM0.10 each in ICB ("ICB Shares"), representing up to 30% of the issued and paid-up share capital of ICB ("Placement Shares") and 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 ("Proposed ESOS").

Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its approval letter dated 14 December 2012, approved the listing and quotation up to 217,706,800 Placement Shares, representing up to 30% of issued and paid up ordinary share capital of INGENCO (excluding treasury shares) to be issued pursuant to the Proposed Private Placement and listing of such number of additional new ordinary shares of RM0.10 each of INGENCO ("INGENCO Shares") representing up to 30% of the issued and paid up share capital of INGENCO (excluding treasury shares) to be issued pursuant to the exercise of options under the Proposed ESOS.

(a) Proposed Private Placement

On 2 April 2013, the HLIB on behalf of the Board of Directors announced the Board has determined the issue price for the first tranche of the Private Placement comprising 100,000,000 Placement Shares at RM0.10 per Placement Share, being the par value of INGENCO Shares, which represents a premium of approximately 5.6% to the five (5)-day volume weighted average market price of INGENCO Shares, up to and including 1 April 2013 of RM0.0947 per INGENCO Share.

On 15 April 2013, the Company had completed the first tranche of the Private Placement, comprising 100,000,000 Placement Shares at RM0.10 per Placement Shares following the listing and quotation of the Placement shares on the Bursa Malaysia Securities Berhad.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

B6 Corporate proposals (Cont'd)

(a) Proposed Private Placement (Cont'd)

On 3 May 2013, the HLIB on behalf of the Board of Directors announced the Board has determined the issue price for the second tranche of the Private Placement comprising 30,000,000 Placement Shares at RM0.10 per Placement Share, being the par value of INGENCO Shares, which represents a premium of approximately 6.04 % to the five (5)-day volume weighted average market price of INGENCO Shares, up to and including 2 May 2013 of RM0.0943 per INGENCO Share.

On 16 May 2013, the Company had completed the second tranche of the Private Placement, comprising 30,000,000 Placement Shares at RM0.10 per Placement Shares following the listing and quotation of the Placement shares on the Bursa Malaysia Securities Berhad

(b) Proposed Establishment of An Employees' Share Option Scheme (" Proposed ESOS")

The Employees' Share Option Scheme ("ESOS") was effected on 20 May 2013. The ESOS shall be in force for a period of five (5) years from the date of implementation subject to any extension on or prior to the expiry thereof, for a further period of five (5) years at the discretion of the Board upon the recommendation of the ESOS Committee.

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 31 March 2013 are as follows :-

	As at 31.3.2013 RM'000
Non Current	
- Hire purchase creditors	73
- Term loan	5,307
	<hr/> 5,380
Current	
- Banker's acceptances	2,000
- Hire purchase creditors	35
- Term loan	446
	<hr/> 2,481
Total Borrowings	<hr/> <hr/> 7,861

B9 Material litigations

As at 23 May 2013 (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.

INGENUITY CONSOLIDATED BERHAD
(f.k.a. Ingenuity Solutions Berhad)

(Company No: 609423-V)

(Incorporated in Malaysia)

NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2013

B11 Earnings Per Share

(i) Basic Earnings/ (Loss) Per Share

	Current Year Quarter Ended	Current Year To- Date Ended
	31/3/2013	31/3/2013
(Loss)/ Profit attributable to Owners of the Parent (RM'000)	(71)	5,884
Weighted average number of shares in issue	579,849	563,438
Basic (loss)/ earnings per share (sen)	(0.01)	1.04

(ii) Diluted Earnings/ (Loss) Per Share

	Current Year Quarter Ended	Current Year To- Date Ended
	31/3/2013	31/3/2013
(Loss)/ Profit attributable to the Owners of the Parent (RM'000)	(71)	5,884
Weighted average number of the shares in issue (' 000)	579,849	563,438
Effects of dilution		
- Warrants ('000)	-	35,203
	579,849	598,641
Diluted (loss)/ earnings per share (sen)	(0.01)	0.98

Represents (0.0002) sen

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 31/3/2013 RM'000	As at 31/3/2012 RM'000
Total accumulated losses of the Group :		
- Realised	(15,178)	(21,403)
-Unrealised	(267)	(233)
	(15,445)	(21,636)
Consolidated adjustments	2,405	2,712
	(13,040)	(18,924)

By Order of the Board
Wong Hun Liang
Executive Director