

INGENUITY CONSOLIDATED BERHAD

(Company No: 609423-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2015

	UNAUDITED AS AT 31/3/2015 RM'000	AUDITED AS AT 31/03/2014 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	39,343	31,897
Intangible assets	353	2,536
Goodwill on consolidation	9,781	9,781
	<u>49,477</u>	<u>44,214</u>
CURRENT ASSETS		
Inventories	13,701	25,113
Trade receivables	66,175	64,188
Other receivables	5,521	15,961
Fixed deposits with licensed bank	1,000	1,069
Cash and bank balances	16,215	13,847
	<u>102,612</u>	<u>120,178</u>
TOTAL ASSETS	<u>152,089</u>	<u>164,392</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	95,380	85,380
Reserves	(8,691)	12,890
	<u>86,689</u>	<u>98,270</u>
Non-Controlling Interest	61	(132)
TOTAL EQUITY	<u>86,750</u>	<u>98,138</u>
NON CURRENT LIABILITIES		
Deferred taxation	387	764
Borrowings	7,149	5,498
	<u>7,536</u>	<u>6,262</u>
CURRENT LIABILITIES		
Trade payables	42,555	46,448
Other payables	5,050	5,658
Borrowings	10,198	7,846
Tax payable	-	40
	<u>57,803</u>	<u>59,992</u>
TOTAL LIABILITIES	<u>65,339</u>	<u>66,254</u>
TOTAL EQUITY AND LIABILITIES	<u>152,089</u>	<u>164,392</u>
Net Assets per share attributable to Owners of the Parent (sen)	<u>9.09</u>	<u>11.51</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 2014 and accompanying explanatory notes to this interim financial statements.

INGENUITY CONSOLIDATED BERHAD

(Company No: 609423-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	YEAR	CORRESPONDING	YEAR TO DATE	CORRESPONDING
	QUARTER	QUARTER ENDED	ENDED	PERIOD ENDED
	31/3/2015	31/3/2014	31/3/2015	31/3/2014
	RM'000	RM'000	RM'000	RM'000
Revenue	118,435	133,000	407,026	616,701
Cost of Sales	(120,191)	(125,680)	(405,841)	(598,308)
Gross (loss)/ profit	(1,756)	7,320	1,185	18,393
Other income	(278)	407	1,513	9,544
Gain/ (loss) on foreign exchange	(1,312)	72	(872)	(232)
Depreciation	(580)	(385)	(2,210)	(1,835)
(Allowance)/ write back of allowance and (write off) for impaired receivables	(1,974)	(111)	(2,046)	(142)
(Allowance)/ write back of allowance and (write off) for impaired inventories	(559)	(99)	(561)	(106)
Finance costs	(437)	(580)	(1,672)	(985)
Other expenses	(4,394)	(4,216)	(17,193)	(17,598)
Results from operating activities before interest income and ESOS expenses	(11,290)	2,408	(21,856)	7,039
Interest income	-	2	34	35
ESOS expenses	(400)	-	(3,300)	(4,000)
Profit/ (loss) before taxation	(11,690)	2,410	(25,122)	3,074
Taxation	377	(1,347)	406	(1,389)
Profit/ (loss) after taxation for the period	(11,313)	1,063	(24,716)	1,685
Profit/ (loss) attributable to:				
Owners of the parent	(11,330)	1,063	(24,707)	1,712
Non-Controlling Interest	17	-	(9)	(27)
	(11,313)	1,063	(24,716)	1,685
Basic earnings/ (loss) per share (sen)	(1.19)	0.12	(2.72)	0.22
Diluted earnings/ (loss) per share (sen)	N/A	N/A	N/A	N/A

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31/3/2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/3/2014 RM'000	CURRENT YEAR TO DATE ENDED 31/3/2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD ENDED 31/3/2014 RM'000
Profit/ (loss) after taxation for the period	(11,313)	1,063	(24,716)	1,685
Other comprehensive income for the period, net of tax				
Currency translation difference	32	2	43	2
Revaluation of land and building	-	7,353	-	7,353
Total other comprehensive income, net of tax	32	7,355	43	7,355
Total comprehensive income/ (loss) for the period, net of tax	(11,281)	8,418	(24,673)	9,040
Total comprehensive income/ (loss) attributable to :				
Owners of the parent	(11,298)	8,418	(24,664)	9,067
Non-Controlling Interest	17	-	(9)	(27)
	(11,281)	8,418	(24,673)	9,040

Note : ESOS - Employee Share Options Scheme ; N/A - Not Applicable

Included in cost of sales, an amortisation of development cost of RM Nil for Q4-2014/15 (RM 0.10 million - Q4-2013/14) and current year to-date of RM 0.76 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 Profit And Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2014 and accompanying explanatory notes to this interim financial statements.

INGENUITY CONSOLIDATED BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

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	Employee Share Option reserve RM'000	Exchange Translation reserve RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-Controlling interests RM'000	Total equity RM'000
As at 1 April 2014	85,380	16,539	(7,900)	6,563	-	2	7,353	(9,667)	98,270	(132)	98,138
<u>Transactions with owners:</u>											
Change in interest in subsidiary company Employees' Share Option Scheme											
- Granted	-	-	-	-	3,300	-	-	(202)	3,300	-	3,300
- Exercised	10,000	-	-	-	-	-	-	-	10,000	-	10,000
Total transactions with owners	10,000	-	-	-	3,300	-	-	(202)	13,098	202	13,300
Net loss for the year	-	-	-	-	-	-	-	(24,707)	(24,707)	(9)	(24,716)
Foreign currency translation differences arising from a foreign subsidiary	-	-	-	-	-	43	-	-	43	-	43
Total comprehensive income/ (loss) for the year	-	-	-	-	-	43	-	(24,707)	(24,664)	(9)	(24,673)
Listing expenses	-	(15)	-	-	-	-	-	-	(15)	-	(15)
Transfer to share premium for ESOS exercised	-	3,300	-	-	(3,300)	-	-	-	-	-	-
As at 31 March 2015	95,380	19,824	(7,900)	6,563	-	45	7,353	(34,576)	86,689	61	86,750
Balance as at 1 April 2013	57,985	12,153	(7,900)	6,563	-	-	-	(11,379)	57,422	(184)	57,238
<u>Transactions with owners:</u>											
Issuance of shares arising from private placement	17,395	386	-	-	-	-	-	-	17,781	-	17,781
Subscription of shares in subsidiary company	-	-	-	-	-	-	-	-	-	79	79
Employees' Share Option Scheme											
- Granted	-	-	-	-	4,000	-	-	-	4,000	-	4,000
- Exercised	10,000	-	-	-	-	-	-	-	10,000	-	10,000
Total transactions with owners	27,395	386	-	-	4,000	-	-	-	31,781	79	31,860
Total comprehensive income/ (loss) for the year	-	-	-	-	-	2	7,353	1,712	9,067	(27)	9,040
Transfer to share premium for ESOS exercised	-	4,000	-	-	(4,000)	-	-	-	-	-	-
As at 31 March 2014	85,380	16,539	(7,900)	6,563	-	2	7,353	(9,667)	98,270	(132)	98,138

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 2014 and accompanying explanatory notes to this interim financial statements.

INGENUITY CONSOLIDATED BERHAD
 (Company No: 609423-V)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	CURRENT YEAR TO DATE ENDED 31/3/2015 RM'000	PRECEDING YEAR TO DATE ENDED 31/3/2014 RM'000
Cash Flows From Operating Activities		
(Loss)/ profit before tax	(25,122)	3,074
Adjustments for :		
Non-cash items	9,461	9,041
Non-operating items	1,638	950
Operating (loss)/ profit before working capital changes	(14,023)	13,065
Changes in working capital		
Inventories	10,851	(10,097)
Receivables	6,984	(14,745)
Payables	(4,018)	(2,648)
Cash used in operations	(206)	(14,425)
Tax paid	(730)	(1,484)
Tax refunded	143	20
Interest received	34	35
Interest paid	(1,672)	(985)
Net cash used in operating activities	(2,431)	(16,839)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(9,691)	(8,496)
Additional investment in subsidiary company	0	-
Development costs	(353)	-
Discharged of fixed deposit pledged with licensed bank	69	-
Proceeds from disposal of property, plant and equipment	26	3
Proceeds from disposal of intangible asset	1,200	-
Net cash used in investing activities	(8,749)	(8,493)
Cash Flows Financing Activity		
Proceeds from issuance of shares, net of share issuance expenses	-	17,835
Proceeds from investment by non-controlling interest	0	79
Proceeds from issuance of shares arising from exercise of ESOS	10,000	10,000
Share issuance expenses	(15)	(54)
Repayment of hire purchase creditors	(68)	(36)
Net drawdown/ (repayment) of borrowings	3,588	6,222
Net cash from financing activity	13,505	34,046
Net increase in cash and cash equivalents	2,325	8,714
Effect of forex translation differences	43	2
Cash And Cash Equivalent At Beginning of Period	14,847	6,131
Cash And Cash Equivalent At End of Period	17,215	14,847
Cash and Cash Equivalents Comprise of :		
Cash and bank balances	16,215	13,847
Fixed deposits with a licensed bank	1,000	1,069
	17,215	14,916
Fixed deposits pledged with licensed bank	-	(69)
	17,215	14,847

Note : * - 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 2014 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 2015

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

A1 Basis of preparation

The interim financial statements is unaudited and has been prepared in accordance with MFRS 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the annual audited financial statement of the Group for the financial year ended 31 March 2014.

The accounting policies and methods adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2014.

The Group has adopted the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on and after 1 April 2014. The adoption of these new and revised MFRSs and IC Interpretations are not expected to have any material financial impacts 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 2014.

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 affect 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

During the quarter under review, 20,000,000 new ordinary shares were issued pursuant to the exercise of Employee Share Options Scheme ("ESOS") options. Other than above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter under review.

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 2015

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 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 2015</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	405,285	1,741	-	407,026	-	407,026
Inter-segment sales	169	212	-	381	(381)	-
Total sales	405,454	1,953	-	407,407	(381)	407,026
Loss before tax	(22,221)	(1,988)	(913)	(25,122)	-	(25,122)

<u>For the financial year</u> <u>ended 31 March 2014</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	612,176	4,525	-	616,701	-	616,701
Inter-segment sales	80,398	207	-	80,605	(80,605)	-
Total sales	692,574	4,732	-	697,306	(80,605)	616,701
(Loss)/ profit before tax	143	3,348	(417)	3,074	-	3,074

A9 Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current period under review.

A10 Events subsequent to the end of the interim reporting period

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

A11 Changes in the composition of the Group

- (i) On 2 April 2014, Ingens Sdn. Bhd. ("Ingens"), a wholly owned subsidiary of Vistavision Resources Sdn Bhd ("VVR"), which in turn wholly owned by Ingenuity Consolidated Berhad ("Ingenuity") has incorporated a wholly owned subsidiary, namely Ingens International Pte Ltd ("Ingens International") under the BVI Business Companies Act 2004 in British Virgin Islands.

The total issued and paid up share capital of Ingens International is USD 50,000.00 comprising 50,000 ordinary shares of USD 1.00 each.

Ingens International is trading in IT and tele-communication devices.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

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

- (ii) On 4 July 2014, Ingenuity had increased its investment in the capital of Uptown Excel Sdn Bhd ("UESB") from 2 ordinary shares of RM1.00 each (representing 100% equity participation in UESB) to 51 ordinary shares of RM1.00 each (representing 51% equity participation in UESB) by way of cash subscription of 49 ordinary shares of RM1.00 each at par in the capital of UESB , thereby UESB has become a 51% owned subsidiary of Ingenuity instead of a wholly owned subsidiary previously.

The remaining 49% equity participation in UESB is held by a Chinese citizen namely, Mr.Qiu Tao.

- (iii) On 3 September 2014, Ingenuity has transferred its entire 51% equity interest (representing 51 ordinary shares of RM1.00 each) in Uptown Excel Sdn Bhd ("UESB") to Line Clear Express & Logistics Sdn Bhd ["LCXLSB"] (formerly known as DPEG Services Sdn Bhd), a wholly owned subsidiary of Ingenuity.

It is an internal restructuring to streamline Ingenuity Group's business activities and there is no change in ultimate shareholding. The transfer consideration for the aforesaid 51 ordinary shares is at nominal value totaling RM 51.00.

- (iv) On 14 October 2014, Ingens DSS Sdn Bhd, (a 100% owned sub-subsidiary of Ingenuity) had increased its investment in the capital of DSS Ikhlas Sdn Bhd from 6 ordinary shares of RM1.00 each (represented 60% equity participation in DSS Ikhlas Sdn Bhd) to 10 ordinary shares of RM1.00 each (representing 100% equity participation in DSS Ikhlas Sdn Bhd) by way of acquisition of 4 ordinary shares of RM 1.00 at par for a total cash consideration of RM4.00 from the existing shareholder of DSS Ikhlas Sdn Bhd namely, Irene Foong.

It is an internal restructuring to streamline Ingenuity Group's business activities. DSS Ikhlas Sdn Bhd has temporary ceased its operations.

A12 Contingent Liabilities

Legal claim

As at 21 May 2015 (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 proceedings 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 save for the below:

- (a) On 6 March 2014, a third party had filed a Writ and Statement of Claim against the Company and Ingens Sdn Bhd ("ISB"), a wholly owned subsidiary company of Vistavision Resources Sdn Bhd, which in turn is a wholly owned subsidiary company of the Company for RM 3,775,112 for alleged good sold to ISB but not paid.

On the same day, ISB had sought for substantiate documents for the different sum which the third party failed to produce and yet when ISB issued payment for the actual outstanding amount of RM2,495,410 according to ISB's records, the third party refused acceptance of such payment and choose instead to institute a legal action.

The Company has filed a statement of defence against the claims and the quantum of damages that the Group will be seeking against third party is expected to be RM10,440,470.

The legal suit is currently pending for trial and the ultimate outcome of the case cannot presently be determined. The next case management is fixed on 7 July 2015 and the Court has fixed the trial date on 17 August 2015 to 21 August 2015.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**A12 Contingent Liabilities (Cont'd)**

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

	As at 31/3/2015 RM000
Corporate guarantees to suppliers for trade credit facilities granted to subsidiary company	112,748
Corporate guarantees to financial institution for term loan and other banking facilities granted to subsidiary company	20,060
	<u>132,808</u>

A 13 Significant Related Party Transactions

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

	1/4/2014 to 13/2/2015 RM000
(i) Supplies of desktops / laptops hardware & other peripherals	70,093
(ii) Supplies of telecommunication devices & other peripherals	3,435
(i) Purchase of IT notebooks, computers and computer accessories	79,419
(ii) Rental expenses	1,161

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

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 2015 was RM 407.03 million represents a decrease of RM 209.67 million as compared to RM 616.70 million in the corresponding financial year 2014. The decrease in revenue for the current financial year was mainly due to lower revenue from ICT distribution businesses of RM 405.29 million as compared to RM 612.18 million in corresponding financial year 2014.

The Group registered a pre-tax loss of RM 25.12 million for the financial year ended 31 March 2015 as compared to pre-tax profit of RM 3.07 million of the corresponding financial year ended 2014. The pre-tax loss for the current financial year was attributed to lower profit margin from ICT Distribution segment and loss on disposal of slow moving inventories in ICT segment. In addition, higher pre-tax profit in corresponding financial year in 2014, was attributed to the profit derived from the sale of intellectual property and ownership rights of two business software solutions..

(i) ICT Distribution

ICT distribution revenue for financial year ended 31 March 2015 was RM 405.29 million. The revenue was mainly derived from the distribution segment which includes IT hardware ranging from laptops, desktops, telecommunications products to other ICT accessories. For the financial year ended 31 March 2015, ICT Distribution registered a pre-tax loss of RM 22.22 million as compared to pre-tax profit of RM 0.14 million in the corresponding year ended 2014. The higher pre-tax loss for the current financial year was attributed to lower profit margin due to competitive business environment and loss on disposal of slow moving inventories.

(ii) Business Software Solutions

Business software solutions revenue for the financial year ended 31 March 2015 was RM 1.74 million as compared to RM 4.53 million in the corresponding year ended 2014. Business software solutions recorded a pre-tax loss of RM 1.99 million as compared to pre-tax profit of RM 3.35 million in the corresponding year ended 2014. The profit in corresponding year ended 2014 was mainly attributed to the profit derived from the sale of intellectual property and ownership rights of two business software solutions.

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

The current quarter (Q4 -2014/15) revenue was RM 118.44 million represents an improvement of RM 19.14 million as compared to immediate preceding quarter (Quarter 3 -2014/15) revenue of RM 99.30 million. Current quarter recorded a pre-tax loss of RM 11.69 million as compared to a pre-tax profit of RM 0.22 million for the immediate preceding quarter. The pre-tax loss for the quarter under review was attributed to lower gross profit margin of ICT distribution segment, higher receivables and inventories writtem off and cost of options under ESOS of RM 0.40 million recognised during the quarter.

B3 Prospects

Faced with the slow and uncertain global economy, the Group expects a continued competitive operating environment for the next financial year. The Group will continue to enrich and enhance the group's services by developing an e-commerce platform whereby resellers and retailers can order ICT products from the Group online. In addition, the Group also set up an in house delivery unit to control and monitor the delivery process to ensure timely delivery. These initiatives should provide the group with future growth opportunities.

B4 Profit Forecast/Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

B5 Taxation

	Current Quarter Ended	Current Year-To- Date Ended
	31/3/2015	31/3/2015
	RM'000	RM'000
Income tax :		
- Current year	-	(1)
-(Over)/ under provision in prior year	-	30
	-	29
-Deferred tax	377	377
	377	406

There is no provision for taxation for the current quarter and current year- to-date as the companies in the Group have incurred losses.

B6 Corporate proposal

Status of the corporate proposal announced but not completed as at 21 May 2015 (being the latest practical date which is not later than 7 days from the date of issue of this Quarterly Report).

On 23 July 2014, TA Securities Holdings Berhad ("TA Securities") on behalf of the Board of Directors ("Board") announced that Ingenuity Consolidated Berhad ("Ingenuity") proposes to undertake the proposed private placement of new ordinary shares of RM0.10 each in Ingenuity representing not more than 10% of the issued and paid up share capital of Ingenuity (excluding treasury shares, if any) ("proposed Private Placement").

On 24 July 2014, TA Securities had, on behalf of the Board announced that Ingenuity have submitted an application to Bursa Malaysia Securities ("Bursa Securities") for the listing and quotation for the Placement Shares on the ACE Market of Bursa Securities.

On 7 August 2014, TA Securities on behalf of the Board announced that Bursa Securities had, vide its letter dated 7 August 2014, approved the listing of and quotation for up 119,953,000 new Ingenuity Shares (excluding treasury shares), to be issued pursuant to the Proposed Private Placement subject to the following conditions:

Conditions imposed	Status of compliance
(a) Ingenuity and TA Security must fully comply with the relevant provisions under the Bursa Securities ACE Market Listing Requirements ("LR") pertaining to the implementation of the Proposed Private Placement;	To be complied
(b) Ingenuity and TA Securities to inform Bursa Securities upon the completion of the Proposed Private Placement;	To be complied
(c) Ingenuity to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed;	To be complied
(d) TA Securities to furnish Bursa Securities with details of the placees as per Rule 6.16 of the LR for Bursa Securities' clearance, prior to the issuance/ allotment of shares to the placees, together with a confirmation that the placees do not fall within any of the category of persons specified in Rule 6.05(c) of the LR.	To be complied
(e) A certified true copy of the resolution passed by the shareholders at the coming Eleventh Annual General Meeting pursuant to Section 132D of the Company Act, 1965.	To be complied

Ingenuity is required to ensure full compliance of all requirements as provided under LR at all times.

On 22 April 2015, on behalf of Ingenuity, TA Securities announced that Bursa Securities has granted the Company an extension of time to 18 September 2015 to complete the implementation of the Private Placement.

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NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**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 2015 are as follows :-

	As at 31/3/2015 RM000
Non Current	
- Term loan	6,703
- Hire purchase creditors	446
	<u>7,149</u>
Current	
- Banker's acceptances and term loan	10,160
- Hire purchase creditors	38
	<u>10,198</u>
Total Borrowings	<u><u>17,347</u></u>

B9 Material litigations

The material litigation faced by the Group is disclosed in A12 (a).

Save for the above, 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.

B11 Earnings/ (Loss) Per Share**(i) Basic Loss Per Share**

	Current Year Quarter Ended 31/3/2015	Current Year To- Date Ended 31/3/2015
Loss attributable to Owners of the Parent (RM000)	<u>(11,330)</u>	<u>(24,707)</u>
Weighted average number of shares in issue ('000)	949,354	909,963
Basic loss per share (sen)	<u>(1.19)</u>	<u>(2.72)</u>

(ii) Diluted Earnings/ (Loss) Per Share

The diluted earnings/ (loss) per share for the current quarter and current year to date was not presented as the effect from the assumed conversion of the warrants and employees' share options would be anti-dilutive.

INGENUITY CONSOLIDATED BERHAD

(Company No: 609423-V)

(Incorporated in Malaysia)

NOTES TO THE QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**B12 Disclosure of Realised And Unrealised Losses**

	As at 31/3/2015 RM000	As at 31/3/2014 RM000
Total accumulated losses of the Group :		
- Realised	(37,457)	(11,520)
-Unrealised profits/ (loss)	457	(764)
	<u>(37,000)</u>	<u>(12,284)</u>
Consolidated adjustments	2,424	2,617
	<u>(34,576)</u>	<u>(9,667)</u>

By Order of the Board**Lim Boon Hong****Executive Director**