

**CUSCAPI BERHAD**  
(Company No: 43190-H)  
Formerly known as Datascan Berhad

**A. NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in compliance with Financial Reporting Standards ("FRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2006.

The significant accounting policies adopted by the Group in this interim financial report are consistent with those of the most recent annual audited financial statements for the year ended 31 December 2006, except for the adoption of the following new/revised Financial Reporting Standards:-

FRS 117	Leases
FRS 119 <sub>2004</sub> (Revised)	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures
FRS 124	Related Party Disclosures

The adoption of the abovementioned FRSs does not have any significant financial impact on the Group.

As at the date of this report, the Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement as its effective date has been deferred.

**A2. Auditors' Report**

The audit report for the annual financial statements of the Group for the financial year ended 31 December 2006 was not subject to any qualification.

**A3. Seasonal or Cyclical Factors**

The business operations of the Group during the financial quarter under review are not affected by any significant seasonal or cyclical factors.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items during the financial quarter under review.

**A5. Changes in estimates**

There were no material changes in the estimates of amounts that have a material effect on the results for the current quarter under review.

**A6. Debt and Equity Securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review except for the following:-

Employees' Share Options Scheme (ESOS)

During the current quarter and financial year to date ended 30 June 2007, the Company issued 734,200 and 3,176,600 ordinary shares of RM0.10 each respectively for cash pursuant to the Company's ESOS.

**A7. Dividends Paid**

No dividend has been paid during the current quarter under review.

**A8. Segmental Reporting**

No segmental analysis is prepared as the Group is primarily engaged in a single business segment of information technology ("IT") and IT related services.

**A9. Revaluation of Property, Plant and Equipment**

The Group did not revalue any of its property, plant and equipment for the current quarter under review.

**A10. Subsequent Events**

There were no material events subsequent to the end of the date of this announcement, which will have a material effect on the financial results of the Group for the quarter under review.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter under review up to the date of this report.

**A12. Contingent Liabilities**

There were no material contingent liabilities of the Group during the current quarter under review up to the date of this report.

**A13. Capital Commitment**

The Company has no capital commitment in respect of property, plant and equipment as at the date of this report.

**A14. Related Party Transactions**

As at the end of the current period under review, the Group has entered into/or completed the following related party transactions:

	6 months ended 30.06.07
Transactions with KUB Malaysia Berhad, a Company with a common director:	RM
- Rental of Point-of-Sales ("POS") System	233,622
- Remedial and maintenance services	35,873
	<hr/>
	269,495
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Rosman bin Abdullah is a Non-Executive Director and substantial shareholder of the Company via his substantial shareholdings in Transight Systems Sdn Bhd. Rosman bin Abdullah is also a Director of KUB Malaysia Berhad. Therefore transactions with A&W (Malaysia) Sdn Bhd, a wholly-owned subsidiary of KUB Malaysia Berhad are deemed related party transactions.

The above related party transactions are recurrent transactions of a revenue or trading nature and are entered into in the ordinary course of business on terms not more favourable to the related party than those generally available to the public.

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**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
 BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Performance**

During the quarter under review, the Group generated revenue of RM9.884 million and profit before tax of RM1.742 million, a significant improvement against the preceding year corresponding quarter's revenue of RM6.919 million and profit before tax of RM1.396 million. The improvement was due to the stronger demand for existing F&B solutions as well as the introduction of new service lines provided by the Group.

**B2. Material Changes in the Quarterly Results Compared to the Immediate Preceding Quarter**

The Group registered a profit before tax of RM1.742 million during the quarter under review compared to the immediate preceding quarter's RM1.476 million, which was an increased of 18%.

**B3. Prospects**

The Board is optimistic that the Group will continue to perform satisfactorily for the current financial year.

**B4. Profit Forecast**

No financial forecast was announced or made hence there was no comparison between actual results and forecast.

**B5. Taxation**

	Individual Quarter		Cumulative	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/06/2007	30/06/2006	30/06/2007	30/06/2006
	RM'000	RM'000	RM'000	RM'000
- Current income tax	(291)	(37)	(396)	(46)
- Deferred tax	(1)	(38)	(36)	(49)
	<u>(292)</u>	<u>(75)</u>	<u>(432)</u>	<u>(95)</u>

**B6. Profit on Sale of Unquoted Investments and/or Properties**

There were no disposals of unquoted investments or properties during the quarter under review.

**B7. Purchase or Disposal of Quoted Securities**

There were no purchases or disposals of quoted securities during the current quarter under review and financial period to date.

**B8. Corporate Proposals**

**Status of Corporate Proposals as at 10 August 2007**

(being a date not earlier than seven (7) days from the date of this announcement)

There were no corporate proposals announced but not completed as at 10 August 2007, being the latest practicable date.

**B9. Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2007 are as follows:

	RM'000
a) Short term borrowings	
- Secured	541
b) Long term borrowings	
- Secured	4,978
Total Borrowings	<u>5,519</u>

**B10. Off Balance Sheet Financial Instruments**

As at 10 August 2007, being the latest practicable date, the Company does not have any financial instruments with off balance sheet risk.

**B11. Material Litigation as at 10 August 2007**

(being a date not earlier than seven (7) days from the date of issue of this quarterly report)

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Company or its subsidiaries which might materially and adversely affect the position or business of the Group.

**B12. Dividends**

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

### B13. Earnings Per Share

#### (a) Basic earnings per share

The earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/06/2007	30/06/2006	30/06/2007	30/06/2006
	RM '000	RM '000	RM '000	RM '000
Net profit attributable to equity holders of the parent	1,450,106	1,254,315	2,786,460	1,569,445
Weighted average number of ordinary shares in issue	221,542,904	152,042,466	220,556,305	152,030,499
Basic earnings per share (sen)	0.65	0.82	1.26	1.03

#### (b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/06/2007	30/06/2006	30/06/2007	30/06/2006
	RM '000	RM '000	RM '000	RM '000
Weighted average number of ordinary shares in issue	221,542,904	152,042,466	220,556,305	152,030,499
Effects of dilution: Share options	534,602	55,457	534,602	55,457
Weighted average number of ordinary shares in issue and issuable	222,077,506	152,097,923	221,090,907	152,085,956
Diluted earnings per share (sen)	0.65	0.82	1.26	1.03

By Order of the Board

TAN LEH KIAH  
Secretary  
Kuala Lumpur  
10 August 2007