

THE MEDIA SHOPPE BERHAD

Year 2014

3rd Quarter Announcement

The Media Shoppe Berhad
(Incorporated in Malaysia - Company No. 383028-D)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the quarter ended 30 September 2014

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	2014 CURRENT YEAR QUARTER 30/9/2014 (Unaudited) RM'000	2013 PRECEDING YEAR CORRESPONDING QUARTER 30/9/2013 (Unaudited) RM'000	2014 CURRENT YEAR-TO-DATE 30/9/2014 (Unaudited) RM'000	2013 PRECEDING YEAR CORRESPONDING PERIOD 30/9/2013 (Unaudited) RM'000
Revenue	65,773	57,718	183,305	166,760
Direct costs	(61,285)	(52,884)	(169,551)	(153,036)
Gross profit	<u>4,488</u>	<u>4,834</u>	<u>13,754</u>	<u>13,724</u>
Other income	147	440	848	1,293
	<u>4,635</u>	<u>5,274</u>	<u>14,602</u>	<u>15,017</u>
Operating expenses	(5,096)	(5,177)	(16,425)	(18,180)
Finance costs	(7)	(10)	(21)	(55)
(Loss)/Profit before taxation	<u>(468)</u>	<u>87</u>	<u>(1,844)</u>	<u>(3,218)</u>
Income tax expense	(225)	(155)	(623)	(795)
Loss after taxation	<u>(693)</u>	<u>(68)</u>	<u>(2,467)</u>	<u>(4,013)</u>
Other comprehensive expenses, net of tax	(1)	- *	- *	(1)
Total comprehensive expenses	<u>(694)</u>	<u>(68)</u>	<u>(2,467)</u>	<u>(4,014)</u>
Loss after taxation attributable to:-				
Owners of the Company	(622)	(123)	(2,220)	(3,875)
Non-controlling interest	(71)	55	(247)	(138)
	<u>(693)</u>	<u>(68)</u>	<u>(2,467)</u>	<u>(4,013)</u>
Total comprehensive expenses attributable to:-				
Owners of the Company	(623)	(123)	(2,221)	(3,875)
Non-controlling interest	(71)	55	(246)	(139)
	<u>(694)</u>	<u>(68)</u>	<u>(2,467)</u>	<u>(4,014)</u>
Loss per share (in sen)				
Basic LPS	(0.07)	(0.02)	(0.26)	(0.50)
Diluted LPS	N/A	N/A	N/A	N/A

Note:-

* - Amount less than RM1,000

(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 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2014

	(UNAUDITED)	(AUDITED)
	As at	As at
	30 September 2014	31 December 2013
	RM'000	RM'000
ASSETS:		
Non-Current Assets:		
Property and equipment	13,633	12,068
Other investments	250	250
Software development costs	841	250
Goodwill on consolidation	7,184	7,184
	21,908	19,752
Current Assets:		
Inventories	17,450	13,693
Trade and other receivables	21,425	18,330
Lease receivable	229	-
Tax refundable	197	77
Cash and cash equivalents	34,731	38,208
	74,032	70,308
TOTAL ASSETS	95,940	90,060
EQUITY AND LIABILITIES:		
EQUITY		
Share capital	87,018	87,018
Reserves	(14,986)	(12,766)
Total equity attributable to owners of the Company	72,032	74,252
Non-controlling interests	134	136
TOTAL EQUITY	72,166	74,388
Non-Current Liabilities:		
Hire purchase payables	339	164
Deferred tax liabilities	38	38
	377	202
Current Liabilities:		
Trade and other payables	23,344	14,925
Short-term borrowings:		
- Bankers' acceptance	-	266
- Hire purchase payables	50	71
Provision for taxation	3	208
	23,397	15,470
TOTAL LIABILITIES	23,774	15,672
TOTAL EQUITY AND LIABILITIES	95,940	90,060
Net assets per share (sen)	8.28	8.53

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the nine (9) months ended 30 September 2014

	(UNAUDITED) CURRENT YEAR-TO-DATE 30 September 2014 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING PERIOD 30 September 2013 RM'000
CASH FLOW FROM/(FOR) OPERATING ACTIVITIES		
Loss before taxation	(1,844)	(3,218)
Adjustments for non-cash items:		
Amortisation of software development costs	59	59
Bad debts written off	-	40
Depreciation of property and equipment	1,524	1,100
Equipment written off	3	-
Impairment losses on trade receivables	706	779
Interest expense	21	55
Share-based payment arising from ESOS	-	2,800
Unrealised (gain)/loss on foreign exchange	-	-
Gain on disposal of equipment	(71)	-
Interest income	(339)	(312)
Reversal of impairment losses on trade receivables	(372)	(980)
Operating loss before changes in working capital	(313)	323
Net change in inventories	(3,756)	447
Net change in trade & other receivables	(3,195)	5,004
Net change in trade & other payables	8,419	(17,244)
Cash flow from/(for) operations	1,155	(11,470)
Income tax paid	(949)	(1,159)
Interest paid	(20)	(55)
Net cash from/(for) operating activities	186	(12,684)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received	339	312
Proceeds from disposal of equipment	188	-
Purchase of property and equipment	(3,428)	(3,792)
Software development costs paid	(650)	-
Net cash inflow on acquisition of subsidiaries	-	4,508
Net cash (for)/from investing activities	(3,551)	1,028
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Drawdown of hire purchase payable	400	-
Repayment of hire purchase payables	(246)	(59)
Repayment of term loan	-	(968)
Repayment of bankers' acceptances	(266)	-
Proceeds from exercise of ESOS	-	14,000
Expenses incurred in relation to acquisition of subsidiaries	-	(405)
Proceeds from issuance of shares pursuant to Private Placement, net of expenses	-	7,828
Net cash (for)/from financing activities	(112)	20,396
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,477)	8,740
EFFECT OF FOREIGN EXCHANGE TRANSLATION	-	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	38,208	28,320
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	34,731	37,059

Note:-

* - Amount less than RM1,000

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

Note 1

Cash and Cash Equivalents:	30/9/2014	30/9/2013
Short-term investments	13,557	13,215
Deposits with licensed bank	2,209	447
Cash and bank balances	18,965	23,397
	34,731	37,059

The Media Shoppe Berhad (383028-D)
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 For the nine (9) months ended 30 September 2014

	Non-Distributable				Distributable		Attributable To Owners of the Company RM'000	Non-Controlling Interest ("NCI") RM'000	Total RM'000	
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Employees Share Option Reserve RM'000	Accumulated Losses RM'000				
Balance as at 1 January 2014	87,018	4,055	10,146	-	*	1,200	(28,167)	74,252	136	74,388
Transactions with owners of the Company:-										
NCI share of the acquiree's net identifiable assets	-	-	-	-	-	-	-	-	245	245
Total transactions with owners	-	-	-	-	-	-	-	-	245	245
Loss after taxation for the 9 months ended 30 September 2014	-	-	-	-	-	-	(2,220)	(2,220)	(247)	(2,467)
Other comprehensive expenses for the 9 months ended 30 September 2014 - Foreign currency translation	-	-	-	-	*	-	-	-	*	-
Total comprehensive expenses for the 9 months ended 30 September 2014	-	-	-	-	*	-	(2,220)	(2,220)	(247)	(2,467)
Balance as at 30 September 2014	87,018	4,055	10,146	-	*	1,200	(30,387)	72,032	134	72,166

9 months ended 30 September 2014

Balance as at 1 January 2014

Transactions with owners of the Company:-

NCI share of the acquiree's net identifiable assets

Total transactions with owners

Loss after taxation for the 9 months ended 30 September 2014

Other comprehensive expenses for the 9 months ended 30 September 2014 - Foreign currency translation

Total comprehensive expenses for the 9 months ended 30 September 2014

Balance as at 30 September 2014

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine (9) months ended 30 September 2014

	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Employees Share Option Reserve RM'000	Accumulated Losses RM'000	Attributable To Owners of the Company RM'000	Non-Controlling Interest ("NCI") RM'000	Total RM'000
9 months ended 30 September 2013									
Balance as at 1 January 2013	50,628	1,742	10,146	-	-	(22,792)	39,724	-	39,724
Transactions with owners of the Company:-									
Issuance of shares pursuant to acquisition of subsidiaries	14,480	-	-	-	-	-	14,480	-	14,480
Expenses incurred in relation to acquisition of subsidiaries	-	(405)	-	-	-	-	(405)	-	(405)
NCI share of the acquiree's net identifiable assets	-	-	-	-	-	-	-	267	267
Share option granted under ESOS	-	-	-	-	2,800	-	2,800	-	2,800
Exercise of ESOS	14,000	2,800	-	-	(2,800)	-	14,000	-	14,000
Issuance of shares pursuant to Private Placement	7,910	-	-	-	-	-	7,910	-	7,910
Expenses incurred in relation to Private Placement	-	(82)	-	-	-	-	(82)	-	(82)
Total transactions with owners	36,390	2,313	-	-	-	-	38,703	267	38,970
Loss after taxation for the 9 months ended 30 September 2013	-	-	-	-	-	(3,875)	(3,875)	(138)	(4,013)
Other comprehensive expenses for the 9 months ended 30 September 2013	-	-	-	-	*	-	-	(1)	(1)
- Foreign currency translation	-	-	-	-	-	-	-	(1)	(1)
Total comprehensive expenses for the 9 months ended 30 September 2013	-	-	-	-	*	(3,875)	(3,875)	(139)	(4,014)
Balance as at 30 September 2013	87,018	4,055	10,146	-	-	(26,667)	74,552	128	74,680

Note:-

* - Amount less than RM1,000

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

THE MEDIA SHOPPE BERHAD (“TMS” or “The Company”)

(Company No. 383028-D)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and Paragraph 9.22 of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of The Media Shoppe Berhad (“TMS” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 31 December 2013. The explanatory notes attached to the condensed consolidated 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 year ended 31 December 2013.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2013.

The adoption of the following MFRSs, Amendments to MFRSs and IC Interpretation that came into effect on or after 1 January 2014 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

- Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities
- Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets
- Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Amendments to MFRS 119: Defined Benefit Plans - Employee Contributions
- Annual Improvements to MFRSs 2010 - 2012 Cycle
- Annual Improvements to MFRSs 2011 - 2013 Cycle

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2013 was not qualified.

A4. Seasonality or Cyclicity of Operations

The Group's operations are not materially affected by any seasonal or cyclical factors.

A5. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

A6. Material Changes in Estimates

There were no material changes in estimates during the quarter under review.

A7. Issuances, Repurchases, and Repayments of Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter under review.

A8. Dividends Paid

There were no dividends paid during the quarter under review.

A9. Operating Segment Information

The segment information for the current quarter is as follows:-

	Provision of Integrated Web-Based and Workflow System RM'000	Trading of IT and ICT Products RM'000	The Group RM'000
Current quarter ended 30 September 2014			
Revenue			
External revenue	4,416	61,357	65,773
Results			
Segment results	(863)	904	41
Interest income	111	6	117
Amortisation of software development costs	(20)	-	(20)
Depreciation of property and equipment	(87)	(424)	(511)
Impairment losses on trade receivables	(88)	-	(88)
Interest expense	(5)	(2)	(7)
	(952)	484	(468)
Income tax expense	(22)	(203)	(225)
Consolidated (loss)/profit after taxation	(974)	281	(693)
Assets			
Segment assets/Consolidated total assets	34,500	61,440	95,940
Liabilities			
Segment liabilities/Consolidated total liabilities	3,300	20,474	23,774

A9. Operating Segment Information (Cont'd)

	Provision of Integrated Web-Based and Workflow System RM'000	Trading of IT and ICT Products RM'000	The Group RM'000
Corresponding quarter ended 30 September 2013			
Revenue			
External revenue	1,889	55,829	57,718
Results			
Segment results	(525)	963	438
Interest income	101	5	106
Reversal of impairment losses on trade receivables	333	-	333
Amortisation of software development costs	(20)	-	(20)
Depreciation of property and equipment	(110)	(286)	(396)
Impairment losses on trade receivables	(364)	-	(364)
Interest expense	(9)	(1)	(10)
	(594)	681	87
Income tax expense	53	(208)	(155)
Consolidated (loss)/profit after taxation	(541)	473	(68)
Assets			
Segment assets/Consolidated total assets	35,781	56,049	<u>91,830</u>
Liabilities			
Segment liabilities/Consolidated total liabilities	2,211	14,939	<u>17,150</u>

The Group operates principally in Malaysia.

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to 18 November 2014, being the last practicable date from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period under review

A12. Changes in Contingent Liabilities and Contingent Assets since the Last Annual Balance Sheet Date

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 18 November 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A13. Capital Commitments

There were no capital commitments as at 18 November 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A14. Related Party Transactions

The Group's related party transactions in the current quarter and the cumulative period-to-date ended 30.9.2014 are as follows:

	Current quarter RM'000	Cumulative period-to-date RM'000
Professional services rendered by a company in which a director is a common director and has substantial financial interest	26	79
Direct purchases from a related party	-	4
Licensing fee charged by a related party	-	13
Administrative expenses charged to a related party	38	144
Research expenses charged by a related party	40	40
Software development costs payable to a related party	650	650
Key management personnel:-		
- salaries and allowances	118	347
- defined contribution plans	15	44
- others	- *	1
- fee	35	100

Note:-

* - Amount less than RM1,000

A15. Changes in Fair Value of Financial Assets and Financial Liabilities, Transfers and Classifications

There have been no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current quarter ended 30 September 2014.

Part B**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements****B1. Detailed Analysis of Overall Performance**

	Individual Quarter		Cumulative Period	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Revenue	65,773	57,718	183,305	166,760
(Loss)/Profit before taxation	(468)	87	(1,844)	(3,218)

For the current quarter under review, the Group generated revenue of RM65.8 million for the quarter ended 30 September 2014, representing an increase of 14% as compared to RM57.7 million reported in the quarter ended 30 September 2013. The increase in revenue is mainly due to increase in revenue from the trading of Information Technology (IT) and Information Communication Technology (ICT) products of RM5.5 million and the provision of integrated web-based and workflow system of RM2.5 million. Loss before taxation has increased by RM0.6 million mainly due to additional operating costs incurred for projects from the division of provision of integrated web-based and workflow system.

For the cumulative period under review, the Group generated revenue of RM183.3 million for the quarter ended 30 September 2014, representing an increase of 10% as compared to RM166.8 million reported in the quarter ended 30 September 2013. The increase in revenue is derived from the trading of IT and ICT products of RM10.3 million and the provision of integrated web-based and workflow system of RM6.2 million. Loss before taxation has reduced by RM1.4 million as compared with the corresponding period ended 30 September 2013. By excluding the effect of the cost of option under the Employees Share Option Scheme ("ESOS") which was amounted to RM2.8 million incurred in the first quarter of 2013, loss before taxation for the cumulative period under review has increased by RM1.4 million. This is mainly due to higher operating costs from IT and ICT division and lower reversal of impairment losses on receivables.

B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Preceding Quarter

	Current quarter ended 30.9.2014 RM'000	Previous quarter ended 30.6.2014 RM'000
Revenue	65,773	57,030
Loss before taxation	(468)	(1,327)

The increase in revenue in the current quarter was RM8.7 million, representing an increase of 15% as compared to the previous quarter. This is mainly due to the increase in revenue from IT and ICT division of RM7.0 million and provision of integrated web-based and workflow system of RM1.7 million.

Loss before taxation has decreased by RM0.9 million as compared to the previous quarter. This is mainly attributable to higher margin contribution from the provision of integrated web-based and workflow system division.

B3. Detailed Analysis of the Group's Operating Segments

There are two operating segments for the current quarter which consists of:-

(1) Provision of integrated web-based and workflow system

Revenue from this division has increased in the current quarter as compared to the corresponding quarter ended 30 September 2013 mainly due to higher revenue contribution from third party products and services for a new project secured in 2014. Loss before taxation has increased by RM0.4 million mainly due to increased operating costs for projects.

For the cumulative period under review, revenue has increased mainly attributable to a new project secured in the first quarter of 2014. By excluding the effect of the cost of option under the ESOS which incurred in the first quarter of 2013, loss before taxation has increased by RM0.3 million mainly due to lower reversal of impairment losses on receivables in 2014.

(2) Trading of IT and ICT products

Revenue from this division has increased in the current quarter as compared to the previous quarter and cumulative period ended 30 September 2013, respectively. This is mainly due to additional orders from customers.

There was no material movement in the profit before taxation in the current quarter as compare to the previous quarter.

For the cumulative period under review, profit before taxation has decreased mainly due to higher operating costs incurred.

B4. Commentary on Prospects

The Group strives for better performance by continue looking at areas of growth in the business segments as well as strengthening the Group's position in the market. Barring unforeseen circumstances, the Group's performance for the current financial year is expected to be better than of the previous financial year.

B5. Variance between Actual Profit and Forecast Profit or Profit Guarantee

The Company has entered into a profit guarantee agreement with the vendors of Open Adventure Sdn Bhd (“OA”) and Viewnet Computer System Sdn Bhd (“Viewnet”), respectively, that the audited profit after tax of OA and Viewnet shall not be less than RM0.6 million and RM2.5 million, respectively, until the financial year ending 31 December 2014.

Proportionately, OA’s performance is behind the profit guarantee mainly due to the source of revenue for OA is mostly project-based, of which recognition of revenue is dependent on the stages of work performed and OA has incurred fixed technical staff costs in order to cope with potential projects and involved in products development for targeted markets. Thus, the management of OA is confident in meeting the profit guarantee.

Viewnet is fairly consistent in meeting the profit guarantee.

B6. Tax Expense

The tax expense is as follows:

	Current Year Quarter RM'000	Current Year-To-Date RM'000
Current tax expense:		
- For the current financial period	(220)	(618)
- Underprovision in the previous financial year	(5)	(5)
	<u>(225)</u>	<u>(623)</u>

B7. Status of Corporate Proposals

There was no corporate proposal as at 18 November 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion.

B8. Utilisation Of Proceeds

Rights Issue with Warrants

On 19 January 2012, HLIB on behalf of TMS announced that the Rights Issue with Warrants has been completed following the listing of and quotation for 312,631,700 Rights Shares together with 234,473,775 Warrants on the ACE Market of Bursa Securities.

Purposes	Proposed Utilisation	Actual Utilisation As At 30.9.2014	Revised Timeframe for Utilisation	Deviation		Explanation
	RM'000	RM'000		RM'000	%	
Working capital requirements	9,004	4,622	Within 36 months	4,382	48.7	N1
Expansion of existing business	9,782	9,782	Within 24 months	-	-	
Overseas expansion	12,000	-	Within 36 months	12,000	100.0	N1
Estimated expenses in relation to the Rights Issue with Warrants	477	477	Within 1 month	-	-	
Total	31,263	14,881				

N1 Pending utilisation.

B9. Details of Group Borrowings and Debt Securities

The Group's interest-bearing borrowings as at the end of the reporting period are as follows:

	As at 30.9.2014 RM'000
Current - secured	
Hire purchase payable - payable within 12 months	50
Non-current - secured	
Hire purchase payable - payable after 12 months	339
	<hr/>
	389
	<hr/>

B10. Gains and Losses arising from Fair Value Changes of Financial Liabilities

No gains or losses were recognised for changes in fair values of financial liabilities during the quarter under review.

B11. Dividends

No interim dividend has been declared or proposed for the quarter under review.

B12. Loss per Share

The basic loss per share was calculated by dividing the loss after taxation attributable to the Owners of the Company by the weighted average number of ordinary shares in issue in the respective period as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter Ended 30.9.2014	Preceding Year Corresponding Quarter Ended 30.9.2013	Current Year-to-date Ended 30.9.2014	Preceding Year Corresponding Period Ended 30.9.2013
Basic loss per share				
Loss after taxation attributable to the Owners of the Company (RM'000)	(622)	(123)	(2,220)	(3,875)
Weighted average number of ordinary shares in issue	870,182,890	819,451,227	870,182,890	770,386,993
Basic loss per share (sen)	(0.07)	(0.02)	(0.26)	(0.50)
Diluted earnings per share	N/A	N/A	N/A	N/A

B13. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Current quarter 30/9/2014 RM'000	Current year-to-date 30/9/2014 RM'000
Interest income	117	339
Other income	N/A	N/A
Interest expense	7	21
Depreciation of property and equipment	511	1,524
Amortisation of software development costs	20	59
Impairment losses on trade receivables	88	706
Reversal of impairment losses on trade receivables	-	372
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A	N/A
Impairment of assets	N/A	N/A
Unrealised (gain)/loss on foreign exchange	N/A	N/A
Realised gain on foreign exchange	(1)	(1)
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

B14. Disclosure of Realised and Unrealised Profit or Losses

Pursuant to the directive dated 25 March 2010 issued by Bursa Securities, the breakdown of the accumulated losses can be analysed as follows:

	As at 30.9.2014 RM'000	As at 31.12.2013 RM'000
Total accumulated losses of the Group:		
- realised	(32,446)	(30,008)
- unrealised	-	-
	<hr/>	<hr/>
	(32,446)	(30,008)
Less: Consolidation Adjustments	2,059	1,841
	<hr/>	<hr/>
	(30,387)	(28,167)
	<hr/>	<hr/>

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

B15. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 November 2014.