

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009
 (The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current Period	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM	RM	RM	RM
Revenue	1,572,174	1,267,096	4,522,317	4,900,618
Cost of sales	(607,059)	(376,017)	(1,343,359)	(1,421,589)
Gross profit	<u>965,115</u>	<u>891,079</u>	<u>3,178,958</u>	<u>3,479,029</u>
Other operating income	95,574	48,230	288,902	132,664
Operating expenses	(1,427,327)	(1,623,313)	(4,288,762)	(4,176,864)
Finance cost	(135,822)	(191,961)	(400,822)	(568,784)
Gain on disposal of subsidiary	-	9,486,362	-	9,486,362
Share of profit/(loss) of associates	(232,831)	(50,150)	(906,061)	-
Profit before tax	<u>(735,291)</u>	<u>8,560,247</u>	<u>(2,127,785)</u>	<u>8,352,407</u>
Taxation	(1,282)	(34,693)	(1,997)	(97,959)
Profit for the period	<u><u>(736,573)</u></u>	<u><u>8,525,554</u></u>	<u><u>(2,129,782)</u></u>	<u><u>8,254,448</u></u>
Attributable to:				
Equity holders of the parent company	(712,149)	7,586,652	(2,035,150)	7,270,585
Minority interest	(24,424)	938,902	(94,632)	983,863
	<u><u>(736,573)</u></u>	<u><u>8,525,554</u></u>	<u><u>(2,129,782)</u></u>	<u><u>8,254,448</u></u>
Basic EPS (sen)	(1.08)	15.33	(3.08)	14.68
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

The unaudited condensed consolidated income statement should be read together with the audited consolidated financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2009

(The figures have not been audited)

	Unaudited As at 30.09.2009 RM	Audited As at 31.12.2008 RM
ASSETS		
Non-current assets		
Property, plant and equipment	13,077,687	13,307,382
Investment Property	-	-
Software development costs	1,887,748	2,007,081
Deferred tax assets	29,362	29,362
Goodwill on consolidation	33,000	33,000
Investments in associate	7,912,752	8,818,813
	<u>22,940,549</u>	<u>24,195,638</u>
Current assets		
Inventories	802,867	750,551
Trade receivables	3,634,546	4,000,965
Other receivables, deposits and prepayments	814,222	827,392
Taxation recoverable	37,131	30,323
Short term deposits with financial institutions	477,932	1,213,017
Cash and bank balances	132,700	513,021
	<u>5,899,398</u>	<u>7,335,269</u>
TOTAL ASSETS	<u><u>28,839,947</u></u>	<u><u>31,530,907</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	6,600,000	6,600,000
Share premium	7,080,376	7,080,376
Exchange fluctuation reserve	(952,099)	(968,671)
Retained profits	5,815,371	7,850,521
	<u>18,543,648</u>	<u>20,562,226</u>
Minority interest	909,505	1,004,202
Total equity	<u>19,453,153</u>	<u>21,566,428</u>
Non-current liabilities		
Bank term loan	4,463,844	4,555,844
Hire purchase and finance lease	1,416,403	1,416,403
Deferred tax liabilities	154,071	154,071
	<u>6,034,318</u>	<u>6,126,318</u>
Current liabilities		
Trade payables	303,895	220,031
Other payables and accruals	1,004,515	881,636
Hire purchase and finance lease	210,321	858,243
Short term borrowing	1,833,745	1,877,676
Tax Payable	-	575
	<u>3,352,476</u>	<u>3,838,161</u>
TOTAL EQUITY AND LIABILITIES	<u><u>28,839,947</u></u>	<u><u>31,530,907</u></u>
Net assets per share attributable to ordinary equity holders of the parent company (sen)	28.10	31.15

The unaudited condensed consolidated balance sheets should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2008 and the accompanying notes attached to this interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009

(The figures have not been audited)

	-----> Attributable to equity holders of the parent <----->						Total Equity RM
	Share capital RM	Share premium RM	Others reserve RM	Distributable Retained profits RM	Total RM	Minority Interest RM	
Balance as at 1 January 2009	6,600,000	7,080,376	(968,671)	7,850,521	20,562,226	1,004,202	21,566,428
Arising from translation of foreign currency financial statements	-	-	16,572	-	16,572	(65)	16,507
Net profit for the period	-	-	-	(2,035,150)	(2,035,150)	(94,632)	(2,129,782)
Balance as at 30 September 2009	<u>6,600,000</u>	<u>7,080,376</u>	<u>(952,099)</u>	<u>5,815,371</u>	<u>18,543,648</u>	<u>909,505</u>	<u>19,453,153</u>
Balance as at 1 January 2008	4,400,000	5,458,867	(69,652)	2,586,389	12,375,604	33,096	12,408,700
Arising from translation of foreign currency financial statements	-	-	106,744	-	106,744	(77)	106,667
Right Issue, net of share issue cost	1,100,000	1,603,574	-	-	2,703,574	-	2,703,574
Bonus Issue, net of share issue cost	1,100,000	-	-	-	1,100,000	-	1,100,000
Net profit for the period	-	-	-	7,270,585	7,270,585	983,863	8,254,448
Balance as at 30 September 2008	<u>6,600,000</u>	<u>7,062,441</u>	<u>37,092</u>	<u>9,856,974</u>	<u>23,556,507</u>	<u>1,016,882</u>	<u>24,573,389</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2008 and the accompanying notes attached to this interim financial report.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**
 (The figures have not been audited)

	QUARTER ENDED 30.09.2009 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.09.2008 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(2,127,785)	8,352,408
Adjustment for:		
Depreciation	1,006,599	878,941
Amortisation of prepaid properties lease payments	-	24,855
Amortisation of Research & Development costs	413,544	334,054
Share of (Gain)/Loss of associates	906,061	-
(Gain)/Loss on disposal of subsidiary	-	(383,786)
(Gain)/Loss on disposal of associates	-	(9,486,363)
(Gain)/Loss on disposal of property, plant and equipment	(4,502)	16,106
Impairment loss on goodwill	-	149,254
Reversal of gain of the associate due to disposal	-	50,150
Property, plant and equipment write off	263	-
Unrealised gain on foreign exchange	-	(2,450)
Allowance for doubtful debts	5,403	-
Interest expense	400,822	568,784
Interest income	(15,962)	(48,818)
Effect of currency translation	(2,889)	95,362
Operating profit before working capital changes	<u>581,554</u>	<u>548,497</u>
Changes in working capital:		
(Increase)/Decrease in inventories	(56,326)	(380,376)
(Increase)/Decrease in receivables	375,914	(118,127)
Increase/(Decrease) in payables	205,694	574,297
Cash used in operations	<u>1,106,836</u>	<u>624,291</u>
Tax paid	(9,380)	(94,612)
Interest paid	(400,822)	(568,784)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	<u>696,634</u>	<u>(39,105)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Acquisition)/Disposal of subsidiary	-	287,258
Investment of associate	-	(497,844)
Purchase of property, plant and equipment	(789,581)	(303,364)
Proceed from Disposal of property, plant and equipment	14,295	3,500
Investment Property	-	(279,262)
Development costs	(294,210)	(342,676)
Interest received	15,962	48,818
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,053,534)</u>	<u>(1,083,570)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceed / (repayment) of Right Issue, net of share issue costs	-	3,824,240
Net proceed / (repayment) of finance lease liabilities	(623,929)	(1,321,067)
Net proceed / (repayment) of trade finance	339,230	366,778
Net proceed / (repayment) of borrowings/loan	(498,367)	(440,596)
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>(783,066)</u>	<u>2,429,355</u>
Net decrease in cash and cash equivalents	(1,139,966)	1,306,680
Cash and cash equivalents at beginning of year	1,038,577	905,941
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER 2009	<u>(101,389)</u>	<u>2,212,621</u>
Cash and cash equivalents as at 30 September 2009 comprises the following:		
Cash and bank balances	132,700.00	532,870
Short term deposits with financial institutions	477,932.00	2,301,558
Bank overdraft	(712,021)	(621,807)
	<u>(101,389)</u>	<u>2,212,621</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2008 and the accompanying notes attached to this interim financial report.

ASDION BERHAD (Company No: 590812-D) (“Asdion” or “Company”)

NOTES TO INTERIM FINANCIAL REPORT

PART A – Explanatory Notes Pursuant to Financial Reporting Standard 134 (“FRS 134”)

1. Basis of Preparation

The interim financial report is unaudited and is prepared in accordance with FRS 134 “Interim Financial Reporting” issued by the Malaysia Accounting Standard Board and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market and should be read in conjunction with the audited consolidated financial statements of Asdion for the financial year ended 31 December 2008. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Asdion and its subsidiary companies (“Group”) since the financial year ended 31 December 2008.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the annual audited consolidated financial statements for the financial year ended 31 December 2008.

2. Auditors’ Report

The preceding annual audited consolidated financial statements for the financial year ended 31 December 2008 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The operations of the Group were not affected by any seasonal/cyclical factors during the current quarter under review.

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

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group.

5. Material Changes in Estimates

There were no materials changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in prior financial years that will have a material effect in the current quarter under review.

6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

7. Dividends Paid

There were no dividends paid and/or proposed during the current quarter under review.

8. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group did not carry out any revaluation on the property, plant and equipment during the current quarter under review.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

10. Segmental Information

The segmental analysis of the revenue and profit for the current quarter ended 30 September 2009 are tabulated below:

Geographical segments	Malaysia	Singapore	China	Brunei	United Kingdom #	Total
	RM	RM	RM	RM	RM	RM
Revenue	1,025,559	392,734	153,881	-	N.A	1,572,174
Profit/(Loss) Before Taxation	(452,614)	18,717	(65,938)	(2,625)	(232,831)	(735,291)

#associate company

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

There were no material events subsequent to the end of the interim period during the current quarter under review.

12. Contingent Assets or Liabilities

There were no material contingent assets or liabilities since the last annual balance sheet date up to the date of this report.

13. Capital Commitments

The Group has no material capital commitments during the current quarter under review.

14. Related Party Transaction

The Group has not entered into any related party transaction during the current quarter under review.

PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

15. Review of Performance for the Current Quarter and Year-to-date

For the third quarter ended 30 September 2009, the Group recorded revenue of approximately RM1.57 million, an increase of 24.08% as compared to the revenue achieved in the preceding corresponding quarter of approximately RM1.27 million. The increase of the revenue mainly attribute to the sales generated in the Customer relationship management (“CRM”) data services segment.

The Group recorded a loss before tax (“LBT”) of approximately RM0.74 million for the current quarter as compared to the immediate preceding quarter of a profit before tax (“PBT”) of RM8.56 million. The loss of current quarter was partly attributed by the share of loss of associate whereas the preceding quarter recorded a PBT was attributed to the gain on disposal of subsidiary.

For the nine (9) months period ended 30 September 2009, the Group recorded a revenue of approximately RM4.52 million with a LBT of approximately RM2.12 million as compared to the revenue of approximately RM4.90 million and a PBT of RM8.35 million recorded in the preceding corresponding periods. The approximately 7.72% decrease of revenue was attributed to the decrease in sales of “Segment Centric Penetration Approach” (“SCPA”) solution segment and Alliance Marketing segment. The loss was mainly due to the share of loss of associate.

16. Comparison between the Current Quarter and the Immediate Preceding Quarter

For the current quarter ended 30 September 2009, despite the economy condition, the Group continues to achieve higher revenue of approximately RM1.57 million, representing a increase of 3.46% compared to revenue of approximately RM1.52 million recorded in the immediate preceding quarter ended 30 June 2009. The slight increase in revenue was largely attributed to the increase of the sales of CRM data services segment.

The Group recorded a LBT of approximately RM0.74 million as compared to a LBT of approximately RM0.90 million registered in the immediate preceding quarter. The reduction of the loss was due to the reduction of the share of loss of associate.

17. Prospects for the Current Financial Year

The Group will continue to focus on its core business activities and deploy appropriate sales and marketing strategies to further penetrate the Group’s market coverage. The Directors of AB anticipate that the performance for the remaining quarter of the fiscal year 2009 will remain stable.

18. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial period to-date.

19. Taxation

Taxation comprises:

	Individual Quarter		Cumulative Quarters	
	Current Quarter 30.09.2009	Preceding Year Corresponding Quarter 30.09.2008	Current Period To Date 30.09.2009	Preceding Year Corresponding Period 30.09.2008
	RM	RM	RM	RM
Current taxation	1,282	34,693	1,997	97,959

The effective tax rate of the Group for the current quarter and current period to-date is higher than the statutory tax rate of 25% as certain expenses which are not deductible for tax purposes.

20. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no purchases or disposals of unquoted investments and/or properties during the current quarter under review and current period to-date.

21. Purchase or Disposal of Quoted Securities

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

22. Status of Corporate Proposals and Utilisation of Proceeds

(a) Corporate Proposal

As at 30 November 2009 (being the latest practicable date not earlier than seven (7) days from the date of issue of this quarterly report), there were no corporate proposals announced but not yet completed.

(b) Utilisation of Proceeds

Not Applicable.

23. Borrowings

The total borrowings of the Group as at 30 September 2009 are as follows:

	Current RM'000	Non-Current RM'000	Total RM'000
Secured	2,044	5,880	7,924
Unsecured	-	-	-
Total	2,044	5,880	7,924

The total borrowings of approximately RM7,924 million as at **30 September 2009** include borrowings denominated in foreign currency which is set out as follows:

	SGD'000	RM'000
Singapore Dollars	1,323	3,185*

Note:

* *Equivalent amount based on an exchange rate prevailing as at 31 December 2008 of RM2.4067: SGD1.00*

24. Off Balance Sheet Financial Instruments

The Group has not entered into any off balance sheet financial instruments as at the date of this quarterly report.

25. Material Litigation

As at 30 November 2009 (being the latest practicable date not earlier than seven (7) days from the date of issue of this quarterly report), the Group is not engaged in any litigation and/or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Board of Directors of the Company are not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the financial position or business performance of the Group.

26. Dividend

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

27. Earnings Per Share

The basic EPS for the current quarter and cumulative period to date are computed as follows:

a) Basic

Basic EPS is calculated by dividing the net profit attributable to the shareholders of the Group by the weighted average number of shares during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.09.2009	Preceding Year Corresponding Quarter 30.09.2008	Current Period To Date 30.09.2009	Preceding Year Corresponding Period 30.09.2008
Profit attributable to the ordinary equity holders of the parent company (RM)	(712,149)	7,586,652	(2,035,150)	7,270,585
Weighted average number of shares	66,000,000	49,500,000	66,000,000	49,540,146
Basic EPS (sen)	(1.08)	15.33	(3.08)	14.68

b) Diluted

Not applicable