

NOTES TO INTERIM FINANCIAL REPORT

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

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Financial Reporting Standard ("FRS")134 - Interim Financial Reporting and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Securities Exchange") for the ACE Market, and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2010. The accounting policies and methods of computation adopted by the Group in the interim unaudited financial statements are consistent with those adopted for the financial year ended 31 December 2010.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2010, as well as the new/revised standards mandatory for annual periods beginning on or after 1 January 2011.

3. Auditors’ Report

The auditors’ report on the financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

4. Seasonal or Cyclical Factors

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

5. 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.

6. 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.

7. 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.

8. Dividends Paid

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

9. 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.

10. Changes in the Composition of the Group

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

11. Segmental Information

Business segment information has not been prepared as all the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and amortisation of development expenditure are mainly confined to one business segment.. The Group's business segment is primarily within the information, communication and technology sector.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items, if any.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

For management purposes, the Group is organised into business units based on its geographical locations, notably Malaysia, Singapore, Brunei and China.

Period Ended	MALAYSIA RM	SINGAPORE RM	CHINA RM	BRUNEI RM	GROUP RM
31 March 2012					
Revenue					
External revenue	1,022,771	488,598	277,030	-	1,788,399
Inter-segment revenue	355,900	505,032	-	-	860,932
	<u>1,378,671</u>	<u>993,630</u>	<u>277,030</u>	<u>-</u>	<u>2,649,331</u>
Adjustments and eliminations					(860,932)
Consolidated revenue					<u>1,788,399</u>
Results					
Segment results	(654,042)	82,936	(59,277)	(1,812)	(632,195)
Interest income	575	-	7,244	-	7,819
Finance costs	(46,014)	(20,900)	-	-	(66,914)
Depreciation of property, plant and equipment	(212,768)	(12,630)	(2,435)	-	(227,833)
Amortisation of development costs	(44,503)	-	-	-	(44,503)
Other material income	20	18,408	23	-	18,451
Other non-cash and material items of expenses	(304,858)	(8,432)	1,486	-	(311,804)
	<u>(1,261,590)</u>	<u>59,382</u>	<u>(52,959)</u>	<u>(1,812)</u>	<u>(1,256,979)</u>
Share of loss in an associate					438,118
Loss on disposal of associate					(1,345,507)
Impairment of Investment of associate					(3,298,944)
Income tax expense					2,421
Consolidated loss after taxation					<u>(5,460,891)</u>

Pursuant to the Company's announcement on 3 August 2011, the financial year end of the Company has been changed from 31 December 2011 to 31 March 2012. Thus, the next set of

audited financial statements will be made up from 1 January 2011 to 31 March 2012 covering a period of 15 months. Due to the change of financial year end, there are no comparative figures given for preceding year corresponding quarter in the current report. However, we enclose the relevant comparison for the 12 months year ended 31 December 201009 audited figures for reference.

12. 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.

13. 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.

14. Capital Commitments

There were no material capital commitments during the current quarter under review:

15. 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

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

The Group generated RM1.79 million in revenue for the current quarter and recorded loss before tax (“LBT”) of RM5.46. The decreased on the revenue was mainly attributable to the decreased in sales for the media segment in Malaysia and project sales generated in China.

The Group also registered a significant loss before tax (“LBT”) of approximately RM5.46 million for the current quarter as compared to the immediate preceding quarter of a LBT of RM0.91 million. The increased of the loss of current quarter was attributed by the following:

- a) Provision on the impairment loss of investment of associate
- b) Loss on the disposal of associate

The Group reported a revenue of RM11.18 million for the 15 months' period ended 31 March 2012 with a LBT of approximately RM7.84 as compared to the revenue of approximately RM7.72 million and a LBT of RM3.70 million for the 12 months' period ended 31 December 2010. The approximately 44.80% increase of revenue was largely attributed to the projects sales generated in China.

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

For the current quarter ended 31 March 2012, the Group recorded revenue of approximately RM1.79 million, representing an decreased of approximately 40.93% as compared to the revenue of approximately RM3.03 million achieved in the immediate preceding quarter ended 31 December 2011.

The Group recorded a LBT of approximately RM5.46 million as compared to a LBT of approximately RM0.91 million registered in the immediate preceding quarter. The increase of the loss was mainly due to provision on the impairment loss of investment in associate and loss on the disposal of associate.

18. Prospects for the Current Financial Year

The Group after careful deliberation and review of Asdion's investment in associate in Medilink-Global UK Limited (“MGL”) and due to the unfavourable earnings track record of MGL for the last 3 years, the Company views it is a good option to dispose the poorly performing operations and to recoup part of its costs of investment in MGL. Upon completion of the disposal, the Group will focus on its existing core businesses of provision of information technology solutions and newly invested business in the agriculture segment.

19. Profit Forecast and Profit Guarantee

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

20. Taxation

Taxation comprises:

	3 months ended		15 months ended	12 months ended
	31.03.2012	31.03.2011	31.03.2012	31.12.2010
	RM	RM	RM	RM
Income Tax				
- Local	(3,537)	NA	18,350	180
- Overseas	5,958	NA	5,958	30
Deferred Tax	-	NA	-	74,319
	(2,421)	NA	24,308	74,529

The effective tax rate for the current quarter and financial period to-date is higher than the statutory tax rate mainly due to certain expenses not deductible for tax.

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

On 13 April 2012, TIS had entered into an Option to Purchase Agreement in respect of the disposal of an office unit in a building known as “Crescent@Kallang” in Singapore for a cash consideration of SGD510,000 (equivalent to RM1,249,296 based on an exchange rate of RM2.4496 to SGD1.00). The disposal is expected to be completed on 20 July 2012.

The gain arising from the Proposed Disposal is approximately RM387,398 after deducting expenses related to the Proposed Disposal.

22. Purchase or Disposal of Quoted Securities

Save as disclosed below, there no purchases or disposals of quoted securities by the Group during the current quarter under review:

Asdion Digital Advance Systems Sdn Bhd, a 90% owned subsidiary of ASDION had on 27 March 2012 entered into a Sale and Purchase Agreement with Wan Lei Nga for the sale of 8,000,000 ordinary shares of GBP0.05 each in MGL, representing 6.62% equity interest in MGL, for a total cash consideration of GBP176,000 (equivalent to RM862,312 based on an exchange rate of RM4.8995 to GBP1.00). The disposal was completed on 27 March 2012.

23. Status of Corporate Proposals and Utilisation of Proceeds

(a) Corporate Proposal

As at the date of issue this quarterly report, there were no corporate proposals announced but not yet completed.

(b) Utilisation of Proceeds

Not Applicable.

24. Borrowings

Details of the Group's borrowings at 31 March 2012 are as follows:

	Current RM'000	Non-Current RM'000	Total RM'000
	31.03.2012	31.03.2012	31.03.2012
Secured			
- Bank Overdraft	84	-	84
- Trade Finance	500	-	500
- Term loan	58	3,736	3,794
- Finance Lease and Hire Purchase	19	78	97
Unsecured	-	-	-
Total	661	3,814	4,475

The total borrowings include borrowings denominated in foreign currency which is set out as follows:

	31.03.2012	
	SGD'000	RM'000
Singapore Dollars	563	1,374

25. 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.

26. Material Litigation

As at the date of issue 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.

27. Dividend

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

28. 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.

	3 months ended		15 months ended	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	RM	RM	RM	RM
Profit attributable to the ordinary equity holders of the parent company (RM)	(5,088,785)	NA	(7,340,827)	NA
Weighted average number of shares	66,420,000	NA	66,420,000	NA
Basic EPS (sen)	(7.66)	NA	(11.05)	NA

b) Diluted

Not applicable