



MEXTER

**MEXTER TECHNOLOGY BERHAD**

(Company No: 647673 - A)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED**

**31 MARCH 2010**

**MEXTER TECHNOLOGY BERHAD**

(Company No 647673-A)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2010**

The Board of Directors of Mexter Technology Berhad (“Mexter” or “Company”) wishes to announce the following unaudited condensed consolidated results for the financial period ended 31 March 2010 which should be read in conjunction with the audited financial statements of Mexter for the financial year ended 31 December 2009.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 MARCH 2010**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		CURRENT YEAR QUARTER 31/03/2010 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2009 RM'000	CURRENT YEAR TO DATE 31/03/2010 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2009 RM'000
Revenue	A9	11,925	7,089	11,925	7,089
Operating expenses		(11,193)	(7,928)	(11,193)	(7,928)
Other operating income		20	29	20	29
Profit/(Loss) from operations		752	(810)	752	(810)
Finance costs		(46)	(32)	(46)	(32)
Exceptional items		-	-	-	-
Share of profit/(loss) of associated companies		63	-	63	-
<b>Profit/(Loss) before tax</b>		769	(842)	769	(842)
Tax expense	B5	-	(1)	-	(1)
<b>Profit/(Loss) for the period</b>		769	(843)	769	(843)
Attributable to:					
Shareholders of the Company		641	(862)	641	(862)
Minority interest		128	19	128	19
<b>Profit/(Loss) for the period</b>		769	(843)	769	(843)
<b>Earnings per share:</b>					
Basic earnings per share (sen)		0.7	(1.0)	0.7	(1.0)
Diluted earnings per share (sen)		N/A	N/A	N/A	N/A

N/A – Not Applicable

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2010****UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS  
AS AT 31 MARCH 2010**

		(UNAUDITED) AS AT 31/03/2010 RM'000	(AUDITED) AS AT 31/12/2009 RM'000
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		4,623	4,725
Associated companies	B8 (b)	130	67
Other investment		115	113
Intangible assets		124	124
		<u>4,992</u>	<u>5,029</u>
<b>Current assets</b>			
Inventories		318	396
Trade and other receivables		7,292	5,076
Tax recoverable		40	38
Cash and cash equivalents		5,334	5,067
		<u>12,984</u>	<u>10,577</u>
<b>TOTAL ASSETS</b>		<u>17,976</u>	<u>15,606</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to shareholders of the Company</b>			
Share capital		8,945	8,945
Reserves		(2,359)	(2,983)
		<u>6,586</u>	<u>5,962</u>
<b>Minority interest</b>		<u>359</u>	<u>231</u>
<b>Total equity</b>		<u>6,945</u>	<u>6,193</u>
<b>Non-current liabilities</b>			
Borrowings	B9	2,075	2,073
Deferred tax liabilities		3	3
		<u>2,078</u>	<u>2,076</u>
<b>Current liabilities</b>			
Trade and other payables		8,407	6,825
Deferred revenue		387	330
Borrowings	B9	159	182
		<u>8,953</u>	<u>7,337</u>
<b>Total liabilities</b>		<u>11,031</u>	<u>9,413</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>17,976</u>	<u>15,606</u>
Net assets per share attributable to ordinary shareholders of the Company (RM)		<u>0.07</u>	<u>0.07</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2010**

	<----- Attributable to shareholders of the Company ----->					Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Accumulated losses RM'000			
<b>At 1/1/2009:-</b>	8,945	9,382	50	53	(10,930)	7,500	0	7,500
Minority interest on disposal	0	0	0	0	0	0	20	20
Exchange differences on translation of the financial statements of foreign entities	0	0	0	26	0	26	0	26
Loss for the period	0	0	0	0	(862)	(862)	19	(843)
Equity settled share-based transactions	0	0	0	0	0	0	0	0
<b>At 31/03/2009</b>	<b>8,945</b>	<b>9,382</b>	<b>50</b>	<b>79</b>	<b>(11,792)</b>	<b>6,664</b>	<b>39</b>	<b>6,703</b>
<b>At 1/1/2010</b>	<b>8,945</b>	<b>9,382</b>	<b>42</b>	<b>52</b>	<b>(12,459)</b>	<b>5,962</b>	<b>231</b>	<b>6,193</b>
Minority interest on disposal	0	0	0	0	0	0	0	0
Exchange differences on translation of the financial statements of foreign entities	0	0	0	(17)	0	(17)	0	(17)
Profit for the period	0	0	0	0	641	641	128	769
Equity settled share-based transactions	0	0	0	0	0	0	0	0
<b>At 31/03/2010</b>	<b>8,945</b>	<b>9,382</b>	<b>42</b>	<b>35</b>	<b>(11,818)</b>	<b>6,586</b>	<b>359</b>	<b>6,945</b>

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2010**

	AS AT CURRENT FINANCIAL PERIOD ENDED 31/03/2010 RM'000	AS AT PRECEDING FINANCIAL PERIOD ENDED 31/03/2009 RM'000
	Note	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	769	(842)
Adjustments for non-cash flows:		
Non-cash items	267	196
Interest income	(5)	(8)
Interest expense	46	32
Operating Profit/ (Loss) Before Working Capital Changes	1,077	(622)
Changes In Working Capital:		
Net change in current assets	(2,350)	75
Net change in current liabilities	1,641	(233)
Net Cash Outflow from Operations	368	(780)
Income tax refunded/(paid)	(2)	22
Net Operating Cash Flow	366	(758)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	5	8
Minority interest on disposal of 20% equity interest in a subsidiary	0	20
Investment in money market fund	(2)	0
Purchase of property, plant and equipment	(18)	(21)
Proceed from disposal of property, plant and equipment	0	3
Net Investing Cash Flow	(15)	10
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(46)	(32)
Repayment of bank borrowings	(21)	(39)
Net Financing Cash Flow	(67)	(71)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	284	(819)
Effects of foreign exchange rate changes	(17)	26
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD</b>	5,067	4,117
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD</b>	5,334	3,324

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2010

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## PART A – EXPLANATORY NOTES PURSUANT TO FRS 134: INTERIM FINANCIAL REPORTING

### A1 – Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Financial Reporting Standard (“FRS”) No. 134: Interim Financial Reporting and paragraph 9.22 of Bursa Malaysia Berhad’s (Bursa Securities”) ACE Market Listing Requirements (“ACE LR”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Company, its subsidiary companies and associated companies (the “Group”) since the financial year ended 31 December 2009.

### A2 – Changes in Accounting Policies

The significant accounting policies adopted during the current quarter under review are consistent with those of the audited financial statements for the financial year ended 31 December 2009 except for the following Financial Reporting Standards (“FRSs”) and IC Interpretations that had been issued by the Malaysian Accounting Standards Board (“MASB”):-

		<u>Effective date</u>
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (revised)	1 January 2010
FRS 123	Borrowing costs (revised)	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivative	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

Other than FRS 139, the management do not anticipate that the application of the above new FRSs and IC Interpretations, when they are effective, will have a material impact on the results and the financial position of the Group.

### A3 – Auditors’ Report on Preceding Audited Financial Statements

The auditors’ report on the Group’s financial statements for the financial year ended 31 December 2009 was not qualified.

### A4 – Seasonal or Cyclicity of Operations

In general, apart from the Group’s business in Telecommunication industry, the Group’s other businesses are primarily exposed to business cycles of the Electronic Manufacturing, Semiconductor and Automotive industries. For the current quarter under review, both Mobile Messaging Gateway and Enterprise Services divisions continue delivered higher financial performance, while E-manufacturing and Computer and Electronic Services divisions posted a positive result.

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2010

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#### A5 – Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

#### A6 – Changes in Estimates

There were no materials changes in estimates of amounts reported in the prior financial period which may have had a material effect on the current quarter under review.

#### A7 – Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance and repayment of debts (other than the hire purchase and term loan debts disclosed in Note B9) and equity securities during the current quarter under review and the Company had not engaged in any share buyback scheme or implemented any share cancellations. The Company does not have any shares held as treasury shares.

#### A8 – Dividends

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

#### A9 – Segmental Information

The Group operates predominantly in the Information and Communications Technology Industry and accordingly, only the geographical segmental information (based on the known business address of the customers) is presented.

(a) *Current quarter*

Analysis by geographical location	Current quarter ended 31 March 2010					
	Revenue from external customers by location of customers		Inter-segment revenue		Total revenue	
	RM'000	%	RM'000	%	RM'000	%
Malaysia	11,179	93.7	-	-	11,179	93.7
Overseas	746	6.3	-	-	746	6.3
	11,925	100.0	-	-	11,925	100.0
Eliminations	-	-	-	-	-	-
Consolidated	11,925	100.0	-	-	11,925	100.0

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#### A9 – Segmental Information (Continued)

(b) *Cumulative quarters*

Analysis by geographical location	Cumulative quarters ended 31 March 2010					
	Revenue from external customers by location of customers		Inter-segment revenue		Total revenue	
	RM'000	%	RM'000	%	RM'000	%
Malaysia	11,179	93.7	-	-	11,179	93.7
Overseas	746	6.3	-	-	746	6.3
	11,925	100.0	-	-	11,925	100.0
Eliminations	-	-	-	-	-	-
Consolidated	11,925	100.0	-	-	11,925	100.0

#### A10 – Valuation of Property, Plant and Equipment

There has been no valuation on any property, plant and equipment of the Group during the current quarter under review. Hence, the valuation of property, plant and equipment has been brought forward without amendment from the audited financial statements of the Group for the financial year ended 31 December 2009.

#### A11 – Acquisition/Disposal of Property, Plant and Equipment

There were no material acquisitions or disposals of property, plant and equipment during the current quarter under review.

#### A12 – Material Subsequent Events

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

#### A13 – Changes in Composition of the Group

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

#### A14 – Changes in Contingent Liabilities or Contingent Assets

As at the date of this announcement, save for any potential damages or cost to be awarded pursuant to the on-going civil suits as disclosed in Note B11 herein, the Directors of the Company are not aware of any material contingent liabilities or contingent assets that may impact the financial performance of the Group.



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**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE  
BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING  
REQUIREMENTS****B1 – Review of Performance**

	<b>Cumulative period ended 31 March 2010 RM'000</b>	<b>Preceding year corresponding period ended 31 March 2009 RM'000</b>
Revenue	<u>11,925</u>	<u>7,089</u>
Profit/ (Loss) before tax	<u>770</u>	<u>(842)</u>

For the financial period ended 31 March 2010, the Group recorded revenue of approximately RM11.93 million which represents an increase of 68% as compared to the preceding year's revenue. The increase in the Group's revenue was mainly attributable to the higher sales contribution from its subsidiary, MexComm Sdn. Bhd. ("MexComm") which increased from RM4.92 million to RM8.37 million. Besides, the Group's Enterprise Services Division ("ESD") has also posted stronger performance with its manpower outsourcing contract with a multinational customer. In this respect, ESD has contributed approximately RM1.79 million or 15% of the total Group revenue in the current quarter.

The Group registered profit before tax of approximately RM0.77 million for the quarter under review which represents an improvement of approximately RM1.61 million or 191% as compared to the Group's loss before tax of approximately RM0.84 million reported in the preceding quarter. The improvement was mainly due to positive contribution by MexComm and ESD in the current quarter, coupled by the contribution from the associate company of RM0.063 million.

**B2 – Comparison with Preceding Quarter's Results**

	<b>Current quarter ended 31 March 2010 RM'000</b>	<b>Previous quarter ended 31 December 2009 RM'000</b>
Revenue	<u>11,925</u>	<u>11,619</u>
Profit before tax	<u>770</u>	<u>535</u>

The Group's revenue for the current quarter of approximately RM11.93 million which represents an increase of approximately RM0.31 million or 3% as compared to the revenue of approximately RM11.62 million for the preceding quarter. MexComm has continuously registered satisfactory result for the quarter with contributing approximately 70% of the total Group revenue. Besides, the Group's Enterprise Services Division ("ESD") has also posted higher revenue of RM1.79 million or 15% of the total Group revenue in the current quarter.

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#### B2 – Comparison with Preceding Quarter’s Results (Continued)

The Group registered profit before tax of approximately RM0.77 million for the quarter under review which represents an improvement of approximately RM0.24 million or 44% as compared to RM0.53 million reported in the preceding quarter. The improvement was mainly due to incremental contribution by E-Manufacturing division (EMD) and ESD in the current quarter, coupled by the effectiveness of the Group’s operations and cost control initiatives implemented by management.

#### B3 – Current Year Prospects

The Malaysian economy is seen to be recovering from the effects of the global crisis with the rebound in domestic economy and revival in export. Sustained growth in private consumption and increased public sector spending contributed to higher domestic demand. The implementation of the fiscal stimulus measures had gained further momentum during the year, providing an additional impetus to growth.

In 2010, the Board anticipates a better financial performance contributed by the Mobile Messaging Gateway and Enterprise Services divisions. The Board and management will continue to implement business rationalisation strategies, by focusing on innovative marketing activities, investing in R&D, streamlining its operations, and implementing cost control measures. Whilst the results of some of these initiatives have borne fruit, most elements of these strategies are ongoing exercises.

Barring any unforeseen circumstances, the Board expects the Group to register positive growth and improve on its earnings and financial position.

#### B4 – Profit Forecast

The Group did not publish any profit forecast in its Prospectus or in any public documents.

#### B5 – Tax Expense

	31 March 2010	
	Current Quarter RM’000	Cumulative Quarters RM’000
Malaysian income tax:-		
Current tax:		
- Current year	-	-
	-	-
Deferred taxation:		
- Original and reversal of temporary differences	-	-
	-	-

There is no tax expense for the quarter ended 31 March 2010 due to the utilisation of unabsorbed tax losses and capital allowances brought forward. This is, however, subject to confirmation by the Inland Revenue Board. Besides, Mexter MSC Sdn. Bhd. (“MMSC”), MexComm and Ezymobile International Sdn Bhd (“EISB”) were granted Multimedia Super Corridor (“MSC”) status which exempts their income from taxation for a period of five (5) years commencing from November 2002, August 2008 and May 2009 respectively.

#### B6 – Profit/(Loss) on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties during the current quarter under review.

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2010

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#### **B7 – Purchase or Disposal of Quoted Securities**

There was no purchase or disposal of quoted securities during the current quarter under review.

#### **B8 – Status of Corporate Proposals Announced But Not Completed**

Save for the following, there were no other corporate proposals announced but not completed as at the date of this announcement:-

- (a) The Proposed Private Placement and Proposed Special Issue as announced on 8 August 2008 is subject to the approvals from:-
  - (i) the shareholders of Mexter, for the Proposed Special Issue, which was obtained on 29 June 2009 at the Company's extraordinary general meeting whilst the Proposed Private Placement was approved under a general mandate granted by Mexter's shareholders at its annual general meeting on 29 June 2009 pursuant to Section 132D of the Companies Act, 1965 ("General Mandate");
  - (ii) Bursa Malaysia Securities Berhad ("Securities Exchange") for the listing of and quotation for the new ordinary shares of RM0.10 each in Mexter to be issued pursuant to the Proposed Private Placement and Proposed Special Issue; and
  - (iii) the Securities Commission ("SC") which was obtained on 4 September 2008.

The Proposed Private Placement and Proposed Special Issue have an implementation period of 6 months and 12 months from the date of receipt of SC's approval, respectively.

Further, Mexter had on 16 February 2009 submitted an application to the SC to seek a six (6) month extension to implement the Proposed Private Placement. SC had, vide its letter dated 23 February 2009, approved an extension of time of six (6) months (i.e. to 3 September 2009) for Mexter to complete the Proposed Private Placement. In addition, shareholders of Mexter had at an extraordinary general meeting held on 29 June 2009 approved the special issue of up to 30% of the enlarged issued and paid up share capital of Mexter (after the Proposed Private Placement and Proposed Special Issue). On 3 September 2009, Mexter announced that it will not seek a further extension from SC for the implementation of the Proposed Private Placement after it expires on 3 September 2009. Notwithstanding the above, Mexter will observe the General Mandate granted by Mexter's shareholders and obtain the approvals from the Securities Exchange and other relevant governmental/regulatory authorities where necessary, to issue and allot shares in Mexter from time to time.

As for the Proposed Special Issue, Mexter had on 19 August 2009 submitted an application to the SC for an extension of time of six (6) months (i.e. to 3 March 2010) to complete the Proposed Special Issue. SC had, vide its letter dated 16 September 2009, approved an extension of time of six (6) months (i.e. to 3 March 2010) for Mexter to complete the said proposal. Subsequently, SC had, vide its letter dated 30 September 2009, provided an extension of time until 3 September 2010 to allocate up to 12.5% of its enlarged issued and paid-up share capital ("Bumiputera Equity Condition") to Bumiputera investors approved by the Ministry of International Trade and Industry ("MITI"). Should the shares fail to be subscribed by the Bumiputera investors or MITI is unable to allocate the special issue shares in the period of one (1) year from the date of the application to MITI, Mexter is deemed complied with the said Bumiputera Equity Condition.

Mexter had, vide its letter dated 8 October 2009, applied to MITI to seek MITI's assistance to allocate the special issue shares to Bumiputera investors and had subsequently vide its letter dated 4 January 2010 updated the SC on the allocation progress by the MITI.

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#### **B8 – Status of Corporate Proposals Announced But Not Completed (Continued)**

Subsequent thereto, MITI had via its letter dated 12 January 2010 nominated a potential Bumiputera company to subscribe for the Special Issue Shares. However, Mexter was unable to accept the nomination as the issuance does not constitute an excluded invitation under Schedule 7 of the Capital Markets & Services Act 2007 (“CMSA”) and hence would require the issuance of a prospectus. Further, the cost of issuance of a prospectus vis-à-vis the subscription amount to be received by Mexter cannot be justified.

Mexter had on 12 February 2010 submitted an application to the SC for an extension of time up to 8 October 2010 to complete the Proposed Special Issue. SC had, vide its letter dated 18 March 2010, approved an extension of time up to 8 October 2010 for Mexter to complete the Proposed Special Issue.

On 21 May 2010, Mexter announced that it will undertake a proposed private placement and allocation of 22,363,005 new ordinary shares of RM0.10 each in Mexter, representing 25% of the existing issued and paid-up share capital of Mexter, to Teknologika Serumpun Sdn Bhd, a company in which Datuk Ahmad Shalimin Bin Ahmad Shaffie, the Chairman/Independent Non-Executive Director of Mexter has a 50% equity interest, at an issue price to be determined later (“Proposal”). The Proposal is subject to the approval of the shareholders of Mexter at an Extraordinary General Meeting to be convened later. As at the date of this report, the Proposal and the placement of 12.5% of Mexter’s enlarged issued and paid-up share capital to Bumiputera investors approved by the MITI are still pending completion.

- (b) On 26 September 2008, Mexter had announced the voluntary winding-up of its associate company, Advantech Control (M) Sdn. Bhd. (“AKL”). As part of the voluntarily winding-up exercise, Mexter has received the return of capital from AKL amounting to RM270,000 at end of 2008. As at the date of this announcement, the voluntary winding-up has yet to be completed.

#### **B9 – Group Borrowings and Debt Securities**

Group borrowings as at the end of the reporting quarter were as follows:-

	<b>Current RM’000</b>
Hire purchase liabilities (Unsecured)	78
Term loan (Secured)	81
	<hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/>
	159
	<b>Non-current RM’000</b>
Hire purchase liabilities (Unsecured)	123
Term loan (Secured)	1,952
	<hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/>
	2,075

The Group does not have any foreign borrowings as at the date of this announcement.

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#### B10 – Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this announcement.

#### B11 – Material Litigation

Save for the following, there have not been any changes in material litigation since the last update up to the date of this announcement:-

In relation to the 3rd Defendant, Lo Mooi Lee's application for an Order to vary the Mareva Injunction to allow her to withdraw her monthly expenses of RM7, 500 from a different bank account due to the fact that the funds in the existing bank account, the Judge had, during the case management, granted her application, but her monthly expenses of RM7, 500 is now reduced to RM5, 000 per month.

#### B12 – Dividends

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

#### B13 –Earnings per Share

(a) *Basic earnings per share ("EPS")*

Basic EPS of the Group is calculated by dividing the profit or loss for the period attributable to ordinary shareholders of Mexter by the weighted average number of ordinary shares in issue during the year.

		Current quarter ended 31 March		Cumulative quarters ended 31 March	
		2010	2009	2010	2009
Profit/ (loss) for the period attributable to ordinary shareholders of Mexter	(RM'000)	641	(862)	641	(862)
Weighted average number of ordinary shares in issue	('000)	89,452	89,452	89,452	89,452
Basic EPS	(sen)	0.7	(1.0)	0.7	(1.0)

The weighted average number of ordinary shares in issue is determined using the number of days that the specific shares are outstanding in proportion to the total number of days in the corresponding period.

(b) *Diluted EPS*

There is no dilution of share capital for the Group.

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**BY ORDER OF THE BOARD**

How Wee Ling (MAICSA 7033850)

Ooi Ean Hoon (MAICSA 7057078)

Company Secretaries

Kuala Lumpur

Dated: 25 May 2010