

MTOUCHE TECHNOLOGY BERHAD
Company no. 656395-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE 2015

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30 JUNE 2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 JUNE 2014 RM'000	CURRENT YEAR TO-DATE 30 JUNE 2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 JUNE 2014 RM'000
Revenue	5,642	7,563	11,354	14,665
Cost of sales	(4,060)	(5,516)	(7,694)	(9,599)
Gross profit	1,582	2,047	3,660	5,066
Administrative expenses	(769)	(2,599)	(3,309)	(4,905)
Other expenses	(213)	(1,173)	(699)	(1,736)
EBITDA*	600	(1,725)	(348)	(1,575)
Other income	34	85	141	166
Finance costs	(1)	(1)	(2)	(2)
Depreciation and amortisation	(282)	(83)	(432)	(164)
(Loss)/Profit before taxation	351	(1,724)	(641)	(1,575)
Taxation	(457)	(38)	(504)	(125)
(Loss)/Profit for the period	(106)	(1,762)	(1,145)	(1,700)
Other comprehensive income/(loss)				
Exchange difference on translating foreign operations	-	281	-	26
Total comprehensive (loss)/income	(106)	(1,481)	(1,145)	(1,674)
Total (loss)/profit attributable to:				
Equity holders of the parent	(106)	(1,594)	(1,147)	(1,566)
Minority interests	-	(168)	2	(134)
	(106)	(1,762)	(1,145)	(1,700)
Total comprehensive (loss)/income attributable to :				
Equity holders of the parent	(104)	(1,389)	(1,145)	(1,547)
Minority interests	(2)	(92)	-	(127)
	(106)	(1,481)	(1,145)	(1,674)
(Losses)/ Earnings per share attributable to equity holders of the parent - Basic and Diluted (sen)	(0.05)	(0.74)	(0.53)	(0.73)

* - EBITDA denotes "Earnings Before Interest, Tax, Depreciation and Amortisation"

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements on pages 5 to 12.

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE 2015**

STATEMENT OF FINANCIAL POSITION

	AS AT 30 JUNE 2015 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2014 (AUDITED) RM'000
Non-current assets		
Property, plant and equipment	2,064	1,017
Intangible assets	2,841	843
Deferred tax assets	64	64
	<u>4,969</u>	<u>1,924</u>
Current assets		
Trade and other receivables	8,874	6,489
Prepayments	460	224
Inventories	19	19
Tax recoverable	822	182
Cash and bank balances	3,893	10,081
	<u>14,068</u>	<u>16,995</u>
Current liabilities		
Borrowings	14	28
Tax payable	-	257
Trade and other payables	9,427	7,575
	<u>9,441</u>	<u>7,860</u>
Net current assets	<u>4,627</u>	<u>9,135</u>
	<u>9,596</u>	<u>11,059</u>
Financed by:		
Capital and reserves		
Equity attributable to equity holders of the parent		
Share capital	23,154	23,154
Share premium	4,864	4,864
Treasury shares	(5,212)	(5,212)
Warrant reserve	9,445	9,445
Capital redemption reserve	4,195	4,195
Other reserves	(87)	(87)
Accumulated losses	(25,991)	(24,846)
	<u>10,368</u>	<u>11,513</u>
Non-controlling interest	(1,075)	(804)
Total equity	9,293	10,709
Non-current liabilities		
Borrowings	-	-
Deferred tax liabilities	212	135
Defined benefits obligations	91	215
	<u>9,596</u>	<u>11,059</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	<u>4</u>	<u>5</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements on pages 5 to 12.

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE 2015

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Non-Distributable							Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Warrant Reserves RM'000	Capital Redemption Reserve RM'000	Other Reserves RM'000	Accumulated Losses RM'000			
Six (6) months period ended 30 June 2015										
At 1 January 2015	23,154	4,864	(5,212)	9,445	4,195	(87)	(24,846)	11,513	(804)	10,709
Comprehensive income/(loss) :										
Loss, net of tax	-	-	-	-	-	-	(1,145)	(1,145)	(271)	(1,416)
Other comprehensive income:										
Foreign currency translation	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-	-	(1,145)	(1,145)	(271)	(1,416)
Transaction with owners:										
Treasury shares :										
Purchased	-	-	-	-	-	-	-	-	-	-
Arising from part disposal in equity interest in subsidiary companies	-	-	-	-	-	-	-	-	-	-
Total transaction with owners	-	-	-	-	-	-	-	-	-	-
At 30 June 2015	<u>23,154</u>	<u>4,864</u>	<u>(5,212)</u>	<u>9,445</u>	<u>4,195</u>	<u>(87)</u>	<u>(25,991)</u>	<u>10,368</u>	<u>(1,075)</u>	<u>9,293</u>
Six (6) months period ended 30 June 2014										
At 1 January 2014	23,154	4,864	(4,653)	9,445	4,195	(1,277)	(17,729)	17,999	177	18,176
Comprehensive income :										
Profit, net of tax	-	-	-	-	-	-	(1,566)	(1,566)	(134)	(1,700)
Other comprehensive income :										
Foreign currency translation	-	-	-	-	-	19	-	19	7	26
Total comprehensive income	-	-	-	-	-	19	(1,566)	(1,547)	(127)	(1,674)
Transaction with owners:										
Treasury shares :										
Purchased	-	-	(559)	-	-	-	-	(559)	-	(559)
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	1,465	-	1,465	(1,117)	348
Total transaction with owners	-	-	(559)	-	-	1,465	-	906	(1,117)	(211)
At 30 June 2014	<u>23,154</u>	<u>4,864</u>	<u>(5,212)</u>	<u>9,445</u>	<u>4,195</u>	<u>207</u>	<u>(19,295)</u>	<u>17,358</u>	<u>(1,067)</u>	<u>16,291</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements on pages 5 to 12.

