



iNix Technologies Holdings Berhad (665797-D)

SUMMARY OF KEY FINANCIAL INFORMATION
For The Third Quarter Ended 30 April 2006

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|----------------------------|---|----------------------------|---|
| | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To date | Preceding Year Corresponding Period |
| | 30 Apr 2006 RM'000 | 30 Apr 2005 RM'000 | 30 Apr 2006 RM'000 | 30 Apr 2005 RM'000 |
| 1. Revenue | 3,689 | - | 11,528 | - |
| 2. Profit/(loss) before tax | 573 | - | 2,728 | (6) |
| 3. Profit/(loss) after tax and minority interest | 573 | - | 2,728 | (6) |
| 4. Net profit/(loss) for the period | 573 | - | 2,728 | (6) |
| 5. Basic earnings/(loss) per share (sen) | 0.60 | - | 2.92 | (300,000) |
| 6. Dividends per share (sen) | - | - | - | - |
| | | | | |
| | | AS AT END OF CURRENT QUARTER | | AS AT PRECEDING FINANCIAL YEAR END |
| | | 30 Apr 2006 | | 31 Jul 2005 |
| 7. Net assets per share (RM) | | 0.26 | | 0.17 |

Remarks :

The comparative figures presented are in respect of the Company. Incorporated on 13 September 2004, the Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005, and was listed on the MESDAQ Market on 1 September 2005.

Please access the Bursa Malaysia website at www.bursamalaysia.com for the full text of the above.



iNix Technologies Holdings Berhad (665797-D)

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Third Quarter Ended 30 April 2006

(The figures have not been audited)

| | Note | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|------|---|--|---|---|
| | | Current Year Quarter 30 Apr 2006 RM'000 | Preceding Year Corresponding Quarter 30 Apr 2005 RM'000 | Current Year To date 30 Apr 2006 RM'000 | Preceding Year Corresponding Period 30 Apr 2005 RM'000 |
| Revenue | | 3,689 | - | 11,528 | - |
| Cost of sales | | (1,830) | - | (5,152) | - |
| Gross profit | | 1,859 | - | 6,376 | - |
| Selling and marketing expenses | | (239) | - | (703) | - |
| Administrative expenses | | (473) | - | (1,496) | (6) |
| Other operating expenses | | (272) | - | (621) | - |
| Research and development expenses | | (302) | - | (828) | - |
| Profit/(loss) from operations | | 573 | - | 2,728 | (6) |
| Finance costs | | - | - | - | - |
| Profit/(loss) before taxation | | 573 | - | 2,728 | (6) |
| Taxation | B5 | - | - | - | - |
| Profit/(loss) after taxation | | 573 | - | 2,728 | (6) |
| Basic earnings/(loss) per share (sen) | B12 | 0.60 | - | 2.92 | (300,000) |
| Diluted earnings per share (sen) | B12 | 0.59 | - | 2.86 | (300,000) |

Note:

The comparative figures presented are in respect of the Company. Incorporated on 13 September 2004, the Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005, and was listed on the MESDAQ Market on 1 September 2005.

The annexed notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

CONDENSED CONSOLIDATED BALANCE SHEET

As At 30 April 2006

(The figures have not been audited)

| | Note | As At End of Current Quarter 30 Apr 2006 RM'000 | As At Preceding Financial Year End 31 Jul 2005 RM'000 |
|---|------|--|--|
| INTANGIBLE ASSET | | 700 | 775 |
| PROPERTY, PLANT & EQUIPMENT | A9 | 7,623 | 1,360 |
| CURRENT ASSETS | | | |
| Inventories | | 1,292 | 380 |
| Trade receivables | | 14,859 | 10,944 |
| Other receivables and prepayments | | 274 | 799 |
| Cash and bank balances | | 1,676 | 135 |
| | | 18,101 | 12,258 |
| CURRENT LIABILITIES | | | |
| Trade payables | | 668 | 352 |
| Other payables | | 686 | 469 |
| Provision for warranties | | 122 | 63 |
| | | 1,476 | 884 |
| NET CURRENT ASSETS | | 16,625 | 11,374 |
| | | 24,948 | 13,509 |
| FINANCED BY | | | |
| Share capital | | 9,500 | 8,051 |
| Share premium | | 7,262 | - |
| Reserve on consolidation | | 4,648 | 4,648 |
| Retained profits | | 3,538 | 810 |
| | | 24,948 | 13,509 |
| Net tangible assets per share (RM) | | 0.26 | 0.16 |
| Net assets per share (RM) | | 0.26 | 0.17 |

The annexed notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Third Quarter Ended 30 April 2006**

(The figures have not been audited)

| | Share capital RM'000 | Non-distributable | | Distributable | Total RM'000 |
|--|----------------------------|----------------------------|---------------------------------------|-------------------------------|-----------------|
| | | Share premium RM'000 | Reserve on consolidation RM'000 | Retained profits RM'000 | |
| Preceding financial period ended 31 July 2005 (audited) | | | | | |
| At date of incorporation | * | - | - | - | - |
| Issue of shares during the period | 8,051 | - | - | - | 8,051 |
| Net profit for the period | - | - | - | 810 | 810 |
| Reserve on acquisition of a subsidiary company | - | - | 4,648 | - | 4,648 |
| Balance at 31 July 2005 (audited) | 8,051 | - | 4,648 | 810 | 13,509 |

* denotes RM2.00

**Cumulative quarter
ended 30 April 2006**

| | | | | | |
|-----------------------------------|-------|---------|-------|-------|---------|
| At 1 August 2005 (audited) | 8,051 | - | 4,648 | 810 | 13,509 |
| Issue of shares during the period | 1,449 | 6,784 | - | - | 8,233 |
| Proceeds from public issue | 1,449 | 8,694 | - | - | 10,143 |
| Listing expenses | - | (1,910) | - | - | (1,910) |
| Effect of share option expenses | - | 478 | - | - | 478 |
| Net profit for the period | - | - | - | 2,728 | 2,728 |
| Balance at 30 April 2006 | 9,500 | 7,262 | 4,648 | 3,538 | 24,948 |

The annexed notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT
For The Third Quarter Ended 30 April 2006**

(The figures have not been audited)

| | Current Year Quarter 30 Apr 2006 RM'000 | Preceding Year Corresponding Quarter 30 Apr 2005 RM'000 |
|--|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 573 | - |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 241 | - |
| Amortisation of intangible asset | 25 | - |
| Provision for warranties | 15 | - |
| Allowance for doubtful debts | 19 | - |
| Share option expenses credited to share premium | 185 | - |
| Operating profit before working capital changes | <u>1,058</u> | <u>-</u> |
| Decrease in inventories | 1,339 | - |
| (Increase) in trade receivables | (643) | - |
| Decrease in other receivables | 467 | - |
| Increase in trade payables | 107 | - |
| (Decrease) in other payables | (765) | - |
| Net cash used operating activities | <u>1,563</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| (Purchase) of property, plant and equipment | (2,474) | - |
| Disposal of property, plant and equipment | - | - |
| Net cash used in investing activities | <u>(2,474)</u> | <u>-</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Refund of listing expenses | 2 | - |
| Net cash generated from financing activities | <u>2</u> | <u>-</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>(909)</u> | <u>-</u> |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF QUARTER | <u>2,585</u> | <u>*</u> |
| CASH AND CASH EQUIVALENTS AT END OF QUARTER | <u>1,676</u> | <u>*</u> |
| These comprise: | | |
| Cash in hand | - | * |
| Bank balances | 1,676 | - |
| | <u>1,676</u> | <u>*</u> |

* denotes RM2.00

Note:

The comparative figures presented are in respect of the Company. Incorporated on 13 September 2004, the Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005, and was listed on the MESDAQ Market on 1 September 2005.

The annexed notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 April 2006**

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting, and Chapter 7 Part VI of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market

The interim financial statements of the Group and of the Company are prepared based on the historical cost convention except as disclosed in the notes to this statement, and in compliance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

In compliance with the transitional provisions of FRS 2: Share-based Payment, the Company has applied this FRS to grants of shares, share options or other equity instruments that were granted after 31 December 2004 and had not yet vested at the effective date of this FRS on 1 January 2006.

Save as disclosed above, the accounting policies and methods of computation adopted by the Group in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 31 July 2005.

The comparative figures presented are in respect of the Company from date of incorporation on 13 September 2004 to 30 April 2005. The Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review.

A6 Debt and equity securities

Save as disclosed below, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current quarter under review:



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 April 2006**

A6 Debt and equity securities (continued)

Employee Share Option Scheme

The INIX Employee Share Option Scheme ("ESOS" or "the Scheme") grants options to eligible directors and employees of the INIX Group to subscribe for shares up to 15% of INIX's issued and paid-up share capital. The Scheme is in force for a duration of 5 years commencing from 25 August 2005 being the date of full compliance with all relevant requirements of the Scheme.

On 12 September 2005, 6,000,000 share options were granted and accepted at an exercise price of RM0.40 per share pursuant to the Company's ESOS. The estimated fair value of RM0.20 per option was calculated using the Black-Scholes option pricing model with inputs into the model as follows:

| | |
|------------------------------|---------|
| Weighted average share price | RM0.44 |
| Exercise price | RM0.40 |
| Expected volatility | 60% |
| Expected life | 3 years |
| Risk free rate | 3.33% |
| Expected dividend yield | nil |

Expected volatility was determined by calculating the historical volatility of the share prices of the Company and of other companies listed on the same exchange, board and sector. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Details of the share options outstanding during the period under review are as follows:

| | No. of share options at exercise price of RM0.40 each | |
|--|--|-------------------------|
| | Current Quarter | Year To Date |
| Outstanding at the beginning of the period | 6,000,000 | - |
| Granted and accepted during the period | - | 6,000,000 |
| Forfeited during the period | (240,000) | (240,000) |
| Exercised during the period | - | - |
| Expired during the period | - | - |
| Outstanding at the end of the period | <u>5,760,000</u> | <u>5,760,000</u> |
| Exercisable at the end of the period | <u>-</u> | <u>-</u> |

A7 Dividend paid

No dividend has been paid in the current quarter under review.

A8 Segmental information

Business segments

Business segment information is not presented as the Group is primarily engaged in one business segment, which is the development and sales of integrated intelligent wireless security, automation and closed-circuit television surveillance systems.



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 April 2006**

A8 Segmental information (continued)

Geographical segments

As the Group operates predominantly in Malaysia, geographical segment information is not presented other than revenue by geographical markets which is analysed as follows:

| | Current Quarter RM'000 | Year To Date RM'000 |
|------------------------|---------------------------------------|------------------------------------|
| Asia | 2,454 | 8,018 |
| Africa | - | 675 |
| Australia | - | 1,600 |
| Europe | 1,235 | 1,235 |
| Revenue for the period | 3,689 | 11,528 |

A9 Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

A10 Material events subsequent to the end of the quarter

There were no material events between the end of the reporting quarter and the date of this announcement.

A11 Changes in the composition of the Group

There was no material change in the composition of the Group for the quarter under review.

A12 Contingent liabilities

During the period, the directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have material impact on the financial position and business of the Group.

A13 Capital commitment

As at 30 April 2006, the Group has no material capital commitment in respect of property, plant and equipment.

A14 Significant related party transactions

During the period, the directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Cash and cash equivalents

| | RM'000 |
|---|---------------|
| Short-term deposits with licensed banks | - |
| Cash and bank balances | 1,676 |
| | 1,676 |



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 April 2006**

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

The Group recorded a net profit after taxation of RM0.573 million for the current quarter ended 30 April 2006. Group sales revenue, which continued to be dampened by economic concerns emanating from uncertainty over escalating world crude oil prices and rising interest rates, amounted to RM3.689 million for the period under review. For the financial year to date, Group net profit after taxation reached RM2.728 million on sales revenue of RM11.528 million.

B2 Variation of results against preceding quarter

| | Current Quarter 30 Apr 2006 RM'000 | Preceding Quarter 31 Jan 2006 RM'000 |
|-----------------------|---|---|
| Revenue | 3,689 | 2,429 |
| Profit after taxation | 573 | 375 |

Despite the continually adverse operating environment for the Group during the period under review, sales turnover rose 51.9% from the RM2.496 million recorded in the preceding quarter. Consolidated after-tax profit expanded 52.8% from RM0.375 million to RM0.573 million for the current quarter ended 30 April 2006.

B3 Prospects

The generally depressed present economic conditions notwithstanding, the Directors remain confident of the excellent overall prospects of the Group, particularly so over a slightly longer term. Barring any unforeseen significant deterioration in the current economic state of affairs locally, regionally as well as globally, the Directors are cautiously optimistic that Group earnings for the current financial year ending 31 July 2006 will remain in positive territory.

B4 Variance of actual profit from forecast profit

Not applicable as no profit forecast was published.

B5 Taxation

For the current quarter ended 30 April 2006, the Company has no taxable income while its subsidiary enjoyed 100% exemption of tax as a pioneer status company. The pioneer status had been granted to its subsidiary for 5 years commencing 1 December 2003 being an MSC status company, and pursuant to the benefits/incentives available, its statutory income is fully exempted from income tax.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 30 April 2006**

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

B8 Group's borrowings and debt securities

There were no borrowings and debt securities outstanding and/or issued during the current quarter under review.

B9 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this announcement applicable to the Group.

B10 Material litigation

Neither the Company nor its subsidiary is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary.

B11 Dividends

No dividends have been declared in respect of the current quarter under review.

B12 Earnings per share

| | Current Quarter 30 Apr 2006 | Year To Date 30 Apr 2006 |
|---|--|---|
| Profit after taxation (RM'000) | <u>573</u> | <u>2,728</u> |
| Weighted average number of ordinary shares assumed in issue ('000) | <u>95,000</u> | <u>93,361</u> |
| Basic earnings per share (sen) | <u>0.60</u> | <u>2.92</u> |
| Weighted average number of ordinary shares assumed in issue ('000) | 95,000 | 93,361 |
| Number of shares under option ('000) | 5,760 | 5,760 |
| Less: Number of shares that would have been issued at average fair value ('000) | (4,264) | (3,890) |
| Adjusted weighted average number of ordinary shares assumed in issue ('000) | <u>96,496</u> | <u>95,231</u> |
| Diluted earnings per share (sen) | <u>0.59</u> | <u>2.86</u> |



iNix Technologies Holdings Berhad (665797-D)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Third Quarter Ended 30 April 2006

B13 Status of corporate proposals

Save as disclosed below, there were no corporate proposals announced but not yet completed as at the date of this announcement.

Proposed Placement

The Company announced on 16 May 2006, with updated announcements on 19 May 2006 and 13 June 2006, that it proposed to undertake a private placement exercise ("Proposed Private Placement") involving the placement of up to 10% of the issued and fully paid-up share capital of INIX, comprising up to 10,036,000 new ordinary shares of RM0.10 each ("INIX Shares") to investors to be identified.

On 26 May 2006, the Company announced that the Securities Commission ("SC") and the Foreign Investment Committee (via the SC) had, vide SC's letter dated 24 May 2006 (which was received on 26 May 2006), approved the Proposed Private Placement.

On 21 June 2006, the Company announced that the Bursa Malaysia Securities Berhad has, vide its letter dated 20 June 2006, approved-in-principle the listing and quotation of the INIX Shares to be issued pursuant to the Proposed Private Placement.

The Proposed Private Placement is pending implementation.

B14 Utilisation of IPO proceeds

The status of utilisation of the proceeds raised from the public issue pursuant to the listing of the Company on Mesdaq Market of Bursa Malaysia Securities Berhad amounting to RM10.143 million is as follows :

| | As approved by the Securities Commission | Utilised as at the date of this report | Balance |
|------------------------------------|---|---|----------------|
| | RM'000 | RM'000 | RM'000 |
| Research and development | 2,500 | 2,500 | - |
| Purchase of equipment/fixed assets | 500 | 500 | - |
| Advertising and promotion | 1,000 | 1,000 | - |
| Working capital | 4,343 | 4,343 | - |
| Estimated listing expenses | 1,800 | 1,800 | - |
| | <u>10,143</u> | <u>10,143</u> | <u>-</u> |

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 22 June 2006.

iNix Technologies Holdings Berhad

23 June 2006