



INIX Technologies Holdings Berhad
(665797-D)
(Incorporated in Malaysia)

Unaudited interim financial report

for the quarter ended 31 July 2009

SUMMARY OF KEY FINANCIAL INFORMATION				
31/07/2009				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/07/2009	31/07/2008	31/07/2009	31/07/2008
	RM'000	RM'000	RM'000	RM'000
1 Revenue	1,330	501	2,306	1,869
2 Profit/(loss) before tax	446	(7,269)	(2,353)	(11,244)
3 Profit/(loss) for the period	446	(7,269)	(2,353)	(11,244)
4 Profit/(loss) attributable to ordinary equity holders of the parent	446	(7,269)	(2,353)	(11,244)
5 Basic earnings/(loss) per share (sen)	0.39	(6.32)	(2.05)	(9.84)
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0494		0.0677	



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated income statement for the three-month and twelve-month periods ended 31 July 2009

	<i>Note</i>	<i>Three months ended</i>		<i>Twelve months ended</i>	
		<i>31 Jul 2009</i>	<i>31 Jul 2008</i>	<i>31 Jul 2009</i>	<i>31 Jul 2008</i>
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>audited</i>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	1,330	501	2,306	1,869
Cost of sales		(311)	(751)	(1,171)	(1,798)
<hr/>					
<i>Gross profit/(loss)</i>		1,019	(250)	1,135	71
Other operating income		2	-	2	-
Selling and marketing expenses		(62)	(178)	(124)	(598)
Administrative expenses		329	(244)	(617)	(1,483)
Research and development expenses		(272)	(905)	(1,448)	(2,670)
Other expenses		(568)	(5,692)	(1,297)	(6,561)
Finance costs		(2)	-	(4)	(3)
<hr/>					
<i>Profit/(Loss) before tax</i>		446	(7,269)	(2,353)	(11,244)
Taxation	B5	-	-	-	-
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<i>Profit/(Loss) for the period</i>		446	(7,269)	(2,353)	(11,244)
<hr/>					
<i>Earnings/(Loss) per share</i> <i>attributable to ordinary equity</i> <i>holders of the Company (sen)</i>					
Basic	B13	0.39	(6.32)	(2.05)	(9.84)
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Diluted	B13	0.39	(6.32)	(2.05)	(9.84)
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The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
(Incorporated in Malaysia)

Condensed consolidated balance sheet as at 31 July 2009

	<i>Note</i>	<i>As at 31 Jul 2009 unaudited RM'000</i>	<i>As at 31 Jul 2008 audited RM'000</i>
ASSETS			
Non-Current Assets			
Intangible assets		793	1,102
Property, plant and equipment	A10	4,820	7,071
Goodwill on consolidation		-	-
		5,613	8,173
Current Assets			
Inventories		311	832
Trade receivables		1,221	40
Other receivables, deposits and prepayments		158	210
Cash and bank balances		28	157
		1,718	1,239
TOTAL ASSETS		7,331	9,412
EQUITY AND LIABILITIES			
Attributable to Equity Holders of the Company			
Share capital		11,495	11,495
Share premium		8,658	8,658
Share option reserve	A7(a)	1,732	1,478
Accumulated losses		(16,203)	(13,850)
		5,682	7,781
Non-Current Liability			
Hire purchase payable	B9	-	2
Current liabilities			
Trade payables		370	463
Other payables and accruals		1,272	1,141
Provision for warranty claims		3	7
Hire purchase payable	B9	4	18
		1,649	1,629
TOTAL EQUITY AND LIABILITIES		7,331	9,412
Net assets per share attributable to ordinary equity holders of the Company (RM)			
		0.0494	0.0677

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated statement of changes in equity for the twelve-month period ended 31 July 2009

	<i>Attributable to equity holders of the Company</i>				
	<i>Share capital</i>	<i>Share premium</i>	<i>Share option reserve</i>	<i>Accumulated losses</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2007 (audited)	10,450	8,109	1,061	(2,606)	17,014
Issue of shares during the period	1,045	581	-	-	1,626
Share issue expenses	-	(32)	-	-	(32)
Loss for the period	-	-	-	(11,244)	(11,244)
Employee share options granted	-	-	417	-	417
At 31 July 2008 (audited)	11,495	8,658	1,478	(13,850)	7,781
At 1 August 2008 (audited)	11,495	8,658	1,478	(13,850)	7,781
Loss for the period	-	-	-	(2,353)	(2,353)
Employee share options granted	-	-	254	-	254
At 31 July 2009 (unaudited)	11,495	8,658	1,732	(16,203)	5,682

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



INIX Technologies Holdings Berhad (665797-D)
(Incorporated in Malaysia)

Condensed consolidated cashflow statement for the twelve-month period ended 31 July 2009

	<i>Twelve months ended</i>	
	31 Jul 2009	31 Jul 2008
	<i>unaudited</i>	<i>audited</i>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(2,353)	(11,244)
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	1,888	2,581
Impairment loss on property, plant and equipment	329	2,942
Goodwill written off	-	4
Gain on disposal of property, plant and equipment	(2)	-
Amortisation of intangible assets	309	309
Net provision for warranty claims written back	(4)	(60)
Allowance for obsolete and defective inventories	-	256
Allowance for doubtful debts	16	1,809
Interest expense on hire purchase financing	4	3
Share option expense	254	416
<i>Operating profit/(loss) before working capital changes</i>	441	(2,984)
Decrease in inventories	521	124
Decrease/(Increase) in trade receivables	(1,197)	844
Decrease in other receivables, deposits and prepayments	52	62
Decrease in trade payables	(93)	(95)
Increase in other payables and accruals	115	702
<i>Net cash used in operating activities</i>	(161)	(1,347)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(756)
Proceeds from disposal of property, plant and equipment	36	-
<i>Net cash generated from/(used in) investing activities</i>	36	(756)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (net)	-	1,594
Interest paid on hire purchase financing	(4)	(3)
<i>Net cash generated from/(used in) financing activities</i>	(4)	1,591
NET DECREASE IN CASH AND CASH EQUIVALENTS	(129)	(512)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	157	669
CASH AND CASH EQUIVALENTS AT END OF PERIOD	28	157
<i>These comprise:-</i>		
Cash in hand	15	26
Bank balances	13	131
	28	157

The condensed consolidated cashflow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



Explanatory notes to the interim financial report

A Pursuant to FRS 134: Interim Financial Reporting

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 July 2008.

A2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2008.

The Group has not early adopted the following new and revised FRSs and Interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective:

FRS		<i>Effective for annual periods commencing on or after</i>
4	Insurance Contracts	1 Jan 2010
7	Financial Instruments: Disclosures	1 Jan 2010
8	Operating Segments	1 Jul 2009
139	Financial Instruments: Recognition and Measurement	1 Jan 2010
IC Interpretation		
9	Reassessment of Embedded Derivatives	1 Jan 2010
10	Interim Financial Reporting and Impairment	1 Jan 2010

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 July 2008 was not qualified.

A4 Seasonal or cyclical factors

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current quarter and financial year-to-date under review.

A5 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

A6 Significant estimates and changes in estimates

There were no changes in estimates that have a material effect in the current quarter and financial year-to-date.



Explanatory notes to the interim financial report

A7 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 during the financial year-to-date under review:

(a) 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.

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:

	<i>No. of share options at exercise price of RM0.40 each</i>			
	<i>Three months ended</i>		<i>Twelve months ended</i>	
	<i>31 Jul 2009</i>	<i>31 Jul 2008</i>	<i>31 Jul 2009</i>	<i>31 Jul 2008</i>
	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>
Outstanding at the beginning of the period	4,250	4,250	4,250	4,600
Granted and accepted during the period	-	-	-	-
Forfeited during the period	(520)	-	(520)	(350)
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	3,730	4,250	3,730	4,250
Exercisable at the end of the period	3,423	3,336	3,423	3,336

(b) Private placement exercise

The Company announced on 4 January 2008 that it proposed to undertake a private placement exercise involving the placement of up to 10% of the issued and fully paid-up share capital of INIX, comprising up to 11,495,000 new ordinary shares of RM0.10 each to investors to be identified. The proposal is subject to approval of the Securities Commission.

A8 Dividends paid

No dividends were paid during the financial year-to-date.



Explanatory notes to the interim financial report

A9 Segmental information

(a) Geographical segments

- Asia** - promotion, marketing, distribution, sales and related activities.
- research and development ("R&D") activities are engaged in Malaysia only.
- Australia** - promotion, marketing, distribution, sales and related activities.

	Australia	Asia	Conso- lidated
	RM'000	RM'000	RM'000
Three months ended 31 Jul 2009			
Segment Revenue			
Total revenue	-	1,330	1,330
Inter-segment revenue	-	-	-
External revenue	-	1,330	1,330
Segment Results			
Unallocated expenses	(210)	355	145
- corporate			309
- R&D			(6)
Finance costs			(2)
Taxation			-
Profit for the period			446
Segment Assets			
Unallocated assets	418	6,416	6,834
Total assets			7,331
Segment Liabilities			
Unallocated liabilities	-	3	3
Total liabilities			1,646
Other Information:			
Capital expenditure	-	-	-
Depreciation	31	440	471
Amortisation	52	25	77
Three months ended 31 Jul 2008			
Segment Revenue			
Total revenue	-	501	501
Inter-segment revenue	-	-	-
External revenue	-	501	501
Segment Results			
Unallocated expenses	(2,277)	(4,376)	(6,653)
- corporate			(464)
- R&D			(152)
Finance costs			-
Taxation			-
Loss for the period			(7,269)
Segment Assets			
Unallocated assets	879	7,334	8,213
Total assets			1,199
			9,412
Segment Liabilities			
Unallocated liabilities	-	7	7
Total liabilities			1,624
			1,631
Other Information:			
Capital expenditure	-	18	18
Depreciation	31	614	645
Amortisation	52	25	77



Explanatory notes to the interim financial report

A9 Segmental information *(continued)*

(a) Geographical segments *(continued)*

	<i>Australia</i> RM'000	<i>Asia</i> RM'000	<i>Conso- lidated</i> RM'000
Twelve months ended 31 Jul 2009			
Segment Revenue			
Total revenue	-	2,306	2,306
Inter-segment revenue	-	-	-
External revenue	-	2,306	2,306
Segment Results			
Unallocated expenses	(461)	(760)	(1,221)
- corporate			(745)
- R&D			(383)
Finance costs			(4)
Taxation			-
Loss for the period			(2,353)
Segment Assets			
Unallocated assets	418	6,416	6,834
Total assets			497
			7,331
Segment Liabilities			
Unallocated liabilities	-	3	3
Total liabilities			1,646
			1,649
Other Information:			
Capital expenditure	-	-	-
Depreciation	126	1,762	1,888
Amortisation	209	100	309
Twelve months ended 31 Jul 2008			
Segment Revenue			
Total revenue	2	1,867	1,869
Inter-segment revenue	-	-	-
External revenue	2	1,867	1,869
Segment Results			
Unallocated expenses	(2,527)	(6,320)	(8,847)
- corporate			(1,795)
- R&D			(599)
Finance costs			(3)
Taxation			-
Loss for the period			(11,244)
Segment Assets			
Unallocated assets	879	7,334	8,213
Total assets			1,199
			9,412
Segment Liabilities			
Unallocated liabilities	-	7	7
Total liabilities			1,624
			1,631
Other Information:			
Capital expenditure	-	756	756
Depreciation	126	2,455	2,581
Amortisation	209	100	309



Explanatory notes to the interim financial report

A9 Segmental information *(continued)*

(b) Business segments

	<i>Invest- ment holding</i>	<i>Development and sales of security, automation and surveillance systems</i>	<i>Elimi- nation</i>	<i>Conso- lidated</i>
	RM'000	RM'000	RM'000	RM'000
Three months ended 31 Jul 2009				
Total revenue	-	1,330	-	1,330
Segment assets	8,007	8,194	(8,870)	7,331
Capital expenditure	-	-	-	-
Three months ended 31 Jul 2008				
Total revenue	-	501	-	501
Segment assets	8,067	10,214	(8,869)	9,412
Capital expenditure	-	18	-	18
Twelve months ended 31 Jul 2009				
Total revenue	-	2,306	-	2,306
Segment assets	8,007	8,194	(8,870)	7,331
Capital expenditure	-	-	-	-
Twelve months ended 31 Jul 2008				
Total revenue	-	1,869	-	1,869
Segment assets	8,067	10,214	(8,869)	9,412
Capital expenditure	-	756	-	756

A10 Carrying value of revalued assets

There has been no revaluation of property, plant and equipment during the financial year-to-date.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year-to-date.

A12 Capital commitments

As at the end of the current financial year-to-date, the Group has no material commitment in respect of property, plant and equipment.

A13 Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 July 2008.

A14 Significant related party transactions

The directors are of the opinion that there were no related party transactions during the financial year-to-date which would have a significant impact on the financial position and business of the Group.

A15 Subsequent events

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



Explanatory notes to the interim financial report

B Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market

B1 Performance review

The Group returned to profitability for the quarter under review on the back of improved sales turnover of RM1.330 million. Profit before tax rose to RM0.446 million, notwithstanding year-end accounting adjustments and provisions taken up in the current quarter coinciding with the last quarter of the Group's financial year. For the current financial year ended 31 July 2009 however, Group earnings remained in the negative, with a pre-tax loss of RM2.353 million recorded.

B2 Material change in profit before tax

	<i>Current quarter ended 31 Jul 2009</i>	<i>Preceding quarter ended 30 Apr 2009</i>
	RM'000	RM'000
Revenue	1,330	234
Profit/(Loss) before taxation	446	(1,063)

Group pre-tax earnings for the quarter under review ("Q4") grew to RM0.446 million compared to a loss of RM1.063 million for the preceding quarter ("Q3"). Group revenue increased to RM1.330 million from RM0.234 million in Q3. Administration expenses for the quarter was a negative RM0.329 million (Q3: +RM0.355 million), and research and development expenses lower at RM0.272 million (Q3: RM0.436 million) due to write-back of expenses overprovided in preceding quarters.

Significant individual items of expenditure for Q4 compared to Q3 include provision for impairment loss on property, plant and equipment RM0.329 million (Q3: nil), depreciation on property, plant and equipment of RM0.472 million (Q3: RM0.472 million) and amortisation of intangible assets RM0.077 million (Q3: RM0.077 million). Share option expenses was a negative RM0.131 million (Q3: +RM0.125 million) due to options forfeited by resigned staff which resulted in year-to-date expenses declining to RM0.254 million (YTD Q3: RM0.385 million).

B3 Prospects

In light of the Group's extremely disappointing revenue and earnings performance in the last two preceding financial years, the Directors are cautious on the prospects of the Group in the near term. Barring any unforeseen significant further deterioration of the Group's operating environment, including impairment and/or diminution in the value of the Group's assets vis-à-vis the future economic benefits reasonably expected to flow to the Group therefrom, the Directors are hopeful of reduced losses for the succeeding financial year ending 31 July 2010.

B4 Profit forecast or profit guarantee

No profit forecast or profit guarantee was published.

B5 Taxation

For both the current quarter as well as financial year-to-date, the Group has no taxable income.

B6 Sale of unquoted investments and properties

There were no sales of unquoted investments and properties in the current quarter and financial year-to-date.



Explanatory notes to the interim financial report

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter and financial year-to-date.

B8 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 4 January 2008 that it proposed to undertake a private placement exercise involving the placement of up to 10% of the issued and fully paid-up share capital of INIX, comprising up to 11,495,000 new ordinary shares of RM0.10 each to investors to be identified. The proposal is pending approval of the Securities Commission.

B9 Borrowings and debt securities

Save as disclosed below, there were no borrowings and debt securities outstanding and/or issued as at the end of the reporting period.

<i>Interest bearing secured borrowing</i>	<i>Payable within 12 months</i>	<i>Payable after 12 months</i>
	RM'000	RM'000
Hire purchase (in Malaysian currency)	4	-

There has been no default on payment of either interest and/or principal sum in respect of the above borrowing throughout the past one financial year.

B10 Off balance sheet financial instruments

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

B11 Changes in material litigation

Save as disclosed below, 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.

Kuala Lumpur High Court Civil Suit No. S7-22-222-2006

The Company and an executive director of the Company are defendants to a suit brought against them by a third party for an amount of RM1,010,000. The solicitors acting on behalf of the Company and the said director are of the opinion that the claim is frivolous as it is based on illegality as well as fraud and as such, unsustainable.

In an announcement on 25 October 2007, the Company informed that the Deputy Registrar of the Kuala Lumpur High Court (Civil Division No.7) had in hearing on 25 October 2007 dismissed with costs the plaintiff's attempt to enter summary judgment against the Company. Thereafter, the plaintiff has not taken any further steps in this matter.



Explanatory notes to the interim financial report

B12 Dividend payable

No interim ordinary dividend has been declared for the financial period under review.

B13 Earnings per share

The basic/diluted earnings per share are computed based on the net profit attributable to ordinary shareholders and the weighted average / adjusted weighted average number of ordinary shares outstanding during the year as follows:

	<i>Three months ended</i>		<i>Twelve months ended</i>	
	<i>31 Jul 2009</i>	<i>31 Jul 2008</i>	<i>31 Jul 2009</i>	<i>31 Jul 2008</i>
Basic:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	446	(7,269)	(2,353)	(11,244)
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,322
<i>Basic earnings/(loss) per ordinary share (sen)</i>	0.39	(6.32)	(2.05)	(9.84)
Diluted:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	446	(7,269)	(2,353)	(11,244)
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,322
Number of shares issuable under ESOS ('000)	3,730	4,250	3,730	4,250
Number of shares that would have been issued at fair value ('000)	(3,730)	(4,250)	(3,730)	(4,250)
Adjusted weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,322
<i>Diluted earnings/(loss) per ordinary share (sen)</i>	0.39	(6.32)	(2.05)	(9.84)

B14 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 29 September 2009.