



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

# Unaudited interim financial report

for the quarter ended 31 July 2011

SUMMARY OF KEY FINANCIAL INFORMATION				
31/7/2011				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/7/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/7/2010 RM'000	CURRENT YEAR TO DATE 31/7/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/7/2010 RM'000
1 Revenue	1,215	1,899	4,424	3,318
2 Profit/(loss) before tax	296	(104)	67	287
3 Profit/(loss) for the period	296	(104)	67	287
4 Profit/(loss) attributable to ordinary equity holders of the parent	296	(104)	67	287
5 Basic earnings/(loss) per share (sen)	0.06	0.25	0.06	0.25
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)	0.0539		0.0533	



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## Condensed consolidated income statement for the three-month and twelve-month periods ended 31 July 2011

	<i>Note</i>	<i>Three months ended</i>		<i>Twelve months ended</i>	
		<i>31 Jul 2011</i>	<i>31 Jul 2010</i>	<i>31 Jul 2011</i>	<i>31 Jul 2010</i>
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>audited</i>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	1,215	1,899	4,424	3,318
Cost of sales		(287)	10	(706)	(365)
<i>Gross profit</i>		928	1,909	3,718	2,953
Other income		687	27	687	650
Selling and marketing expenses		(17)	(76)	(72)	(121)
Administrative expenses		(158)	(394)	(805)	(411)
Research and development expenses		(1,017)	(338)	(2,879)	(1,137)
Other expenses		(127)	(1,232)	(582)	(1,647)
Finance costs		-	-	-	-
<b><i>Profit/(Loss) before tax</i></b>		296	(104)	67	287
Taxation	B5	-	-	-	-
<b><i>profit/(Loss) for the period</i></b>		296	(104)	67	287
<b><i>Profit/(Loss) per share</i></b> <b><i>attributable to ordinary equity</i></b> <b><i>holders of the Company (sen)</i></b>					
Basic	B13	0.26	(0.09)	0.06	0.25
Diluted	B13	0.26	(0.09)	0.06	0.25

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.*



**INIX Technologies Holdings Berhad** (665797-D)  
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## Condensed consolidated balance sheet as at 31 July 2011

	<i>Note</i>	<b>As at 31 Jul 2011 unaudited RM'000</b>	<b>As at 31 Jul 2010 audited RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Intangible assets		1,564	484
Property, plant and equipment	A10	1,656	3,247
		<b>3,220</b>	<b>3,731</b>
<b>Current Assets</b>			
Inventories		374	454
Trade receivables		3,249	2,709
Other receivables, deposits and prepayments		259	282
Cash and bank balances		343	116
		<b>4,225</b>	<b>3,561</b>
<b>TOTAL ASSETS</b>		<b>7,445</b>	<b>7,292</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to Equity Holders of the Company</b>			
Share capital		11,495	11,495
Share premium		8,658	8,658
Share option reserve	A7	-	-
Accumulated losses		(13,955)	(14,022)
		<b>6,198</b>	<b>6,131</b>
<b>Non-Current Liability</b>			
Hire purchase payable	B9	-	-
<b>Current liabilities</b>			
Trade payables		158	148
Other payables and accruals		1,085	1,009
Provision for warranty claims		4	4
Hire purchase payable	B9	-	-
		<b>1,247</b>	<b>1,161</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,445</b>	<b>7,292</b>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>			
		0.0539	0.0533

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2010 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 2011

	<i>Attributable to equity holders of the Company</i>				<i>Total</i>
	<i>Share capital</i>	<i>Share premium</i>	<i>Share option reserve</i>	<i>Accumulated losses</i>	
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 August 2009</b> (audited)	11,495	8,658	364	(14,673)	5,844
Profit for the period	-	-	-	287	287
Reversal of share option expense in relation to options forfeited	-	-	(179)	179	-
Reversal of share option expense in relation to options not expected to be exercised	-	-	(185)	185	-
Compensation expense in respect of employee share options granted	-	-	-	-	-
<b>At 31 July 2010</b> (audited)	11,495	8,658	-	(14,022)	6,131
<b>At 1 August 2010</b> (audited)	11,495	8,658	-	(14,022)	6,131
Profit for the period	-	-	-	67	67
Compensation expense in respect of employee share options granted	-	-	-	-	-
<b>At 31 July 2011</b> (unaudited)	11,495	8,658	-	(13,955)	6,198

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.



**INIX Technologies Holdings Berhad** (665797-D)  
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## Condensed consolidated cashflow statement for the twelve-month period ended 31 July 2011

	<i>Twelve months ended</i>	
	<b>31 Jul 2011</b>	<b>31 Jul 2010</b>
	<i>unaudited</i>	<i>audited</i>
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) for the period</b>	67	287
<i>Adjustments:</i>		
Waiver of advances from directors	(687)	(623)
Depreciation of property, plant and equipment	1,591	1,624
Unrealised loss on foreign exchange	156	426
Gain on disposal of property, plant and equipment	-	-
Amortisation of intangible assets	309	309
Net provision for warranty claims (written back)	-	-
Allowance for doubtful debts made/ (written back)	(112)	657
Allowance for obsolete inventories	41	-
Share option expense (written back)	-	-
<b><i>Operating profit/(loss) before working capital changes</i></b>	<b>1,365</b>	<b>2,680</b>
Decrease/(Increase) in inventories	39	(143)
Increase in trade receivables	(584)	(2,515)
Decrease/(Increase) in other receivables, deposits and prepayments	(44)	(123)
Decrease in trade payables	10	(208)
Increase/(decrease) in other payables and accruals	830	449
<b><i>Net cash generated from/(used in) operating activities</i></b>	<b>1,616</b>	<b>140</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(52)
Increase in intangible assets	(1,389)	-
Proceeds from disposal of property, plant and equipment	-	-
<b><i>Net cash generated from/(used in) investing activities</i></b>	<b>(1,389)</b>	<b>(52)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase	-	(2)
Interest paid on hire purchase financing	-	-
<b><i>Net cash generated from/(used in) financing activities</i></b>	<b>-</b>	<b>(2)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>227</b>	<b>86</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>116</b>	<b>30</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>343</b>	<b>116</b>
<i>These comprise:-</i>		
Cash in hand	14	8
Bank balances	329	108
	<b>343</b>	<b>116</b>

*The condensed consolidated cashflow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2010 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 2010. 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 2010.

#### 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 2010.

The Group and the Company have not applied the following new and revised accounting standards (including consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective:

<i>Standard</i>	<i>Effective for annual periods commencing on or after</i>
<b>FRSs and Amendments</b>	
Amendment to FRS 1	<i>Additional Exemptions for First-time Adopters</i> 1 Jan 2011
Amendment to FRS 1	<i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i> 1 Jan 2011
Amendment to FRS 1	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 2	<i>Group Cash-settled Share-based Payment Transactions</i> 1 Jan 2011
Amendment to FRS 3	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 7	<i>Improving Disclosures about Financial Instruments</i> 1 Jan 2011
Amendment to FRS 7	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 101	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 121	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
FRS 124 (revised)	<i>Related Party Disclosures</i> 1 Jan 2012
Amendment to FRS 128	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 131	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 132	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 134	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to FRS 139	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
<b>Interpretations and Amendments</b>	
IC Interpretation 4	<i>Determining Whether an Arrangement contains a Lease</i> 1 Jan 2011
Amendment to IC Interpretation 13	<i>[Improvements to FRSs (2010)]</i> 1 Jan 2011
Amendment to IC Interpretation 14	<i>Prepayments of a Minimum Funding Requirement</i> 1 Jul 2011
IC Interpretation 18	<i>Transfers of Assets from Customers</i> 1 Jan 2011
IC Interpretation 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> 1 Jul 2011

#### A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 July 2010 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

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:

### A8 Dividends paid

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

### A9 Segmental information

#### (a) Operating segments

	<i>Development and sales of security, automation and surveillance systems</i> RM'000	<i>Software development and system integration</i> RM'000	<i>Corporate</i> RM'000	<i>Eliminations</i> RM'000	<i>Total</i> RM'000
<b>Three months ended 31 July 2011</b>					
<b>Revenue</b>					
External customers	276	939	-	-	1,215
Inter-segment	-	-	-	-	-
Total revenue	<u>276</u>	<u>939</u>	<u>-</u>	<u>-</u>	<u>1,215</u>
<b>Results</b>					
Depreciation	(367)	-	-	-	(367)
Amortisation	(77)	-	-	-	(77)
Impairment of financial assets (made)/ written back	(112)	-	-	-	(112)
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>158</u>	<u>186</u>	<u>(48)</u>	<u>-</u>	<u>296</u>
<b>Assets</b>					
Investment in subsidiaries	-	-	1,000	(1,000)	-
Additions to intangible assets	-	1,389	-	-	1,389
Amount due from holding company	-	1,001	-	(1,001)	-
Amount due from a subsidiary company	-	-	2,672	(2,672)	-
Amount due from related company	1,259	-	-	(1,259)	-
Segment assets	<u>3,825</u>	<u>4,870</u>	<u>4,668</u>	<u>(5,918)</u>	<u>7,445</u>
<b>Liabilities</b>					
Amount due to holding company	10,810	-	-	(10,810)	-
Amount due to related company	-	1,259	-	(1,259)	-
Amount due to a subsidiary company	-	-	1,001	(1,001)	-
Segment liabilities	<u>11,065</u>	<u>1,948</u>	<u>2,296</u>	<u>(14,062)</u>	<u>1,247</u>



## Explanatory notes to the interim financial report

### A9 Segmental information (continued)

#### (a) Operating segments (continued)

	<i>Development and sales of security, automation and surveillance systems</i>	<i>Software development and system integration</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Three months ended 31 July 2010</b>					
<b>Revenue</b>					
External customers	1,899	-	-	-	1,899
Inter-segment	-	-	-	-	-
Total revenue	1,899	-	-	-	1,899
<b>Results</b>					
Depreciation	(411)	-	-	-	(411)
Amortisation	(77)	-	-	-	(77)
Impairment of non-financial assets	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	(104)	-	-	-	(104)
<b>Assets</b>					
Investment in subsidiaries	-	-	2	(2)	-
Additional of property, plant and equipmen	52	-	-	-	52
Additions to intangible assets	-	-	-	-	-
Amount due from subsidiaries	-	-	2,709	(2,709)	-
Amount due from related company	3	-	-	(3)	-
Segment assets	4,863	2,500	2,713	(2,784)	7,292
<b>Liabilities</b>					
Amount due to holding company	10,835	-	-	(10,835)	-
Amount due to related company	-	3	-	(3)	-
Segment liabilities	11,721	78	272	(10,910)	1,161





## Explanatory notes to the interim financial report

### A9 Segmental information (continued)

#### (a) Operating segments (continued)

	<i>Development and sales of security, automation and surveillance systems</i>	<i>Software development and system integration</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Twelve months ended 31 July 2011</b>					
<b>Revenue</b>					
External customers	499	3,925	-	-	4,424
Inter-segment	-	-	-	-	-
Total revenue	<u>499</u>	<u>3,925</u>	<u>-</u>	<u>-</u>	<u>4,424</u>
<b>Results</b>					
Depreciation	(1,591)	-	-	-	(1,591)
Amortisation	(309)	-	-	-	(309)
Impairment of financial assets (made)/ written back	(112)	-	-	-	(112)
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>(1,585)</u>	<u>1,721</u>	<u>(69)</u>	<u>-</u>	<u>67</u>
<b>Assets</b>					
Investment in subsidiaries	-	-	1,000	(1,000)	-
Additions to intangible assets	-	1,389	-	-	1,389
Amount due from holding company	-	1,001	-	(1,001)	-
Amount due from a subsidiary company	-	-	2,672	(2,672)	-
Amount due from related company	1,259	-	-	(1,259)	-
Segment assets	<u>3,825</u>	<u>4,870</u>	<u>4,668</u>	<u>(5,918)</u>	<u>7,445</u>
<b>Liabilities</b>					
Amount due to holding company	10,810	-	-	(10,810)	-
Amount due to related company	-	1,259	-	(1,259)	-
Amount due to a subsidiary company	-	-	1,001	(1,001)	-
Segment liabilities	<u>11,065</u>	<u>1,948</u>	<u>2,296</u>	<u>(14,062)</u>	<u>1,247</u>



## Explanatory notes to the interim financial report

### A9 Segmental information (continued)

#### (a) Operating segments (continued)

	<i>Development and sales of security, automation and surveillance systems</i>	<i>Software development and system integration</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Twelve months ended 31 July 2010</b>					
<b>Revenue</b>					
External customers	818	2,500	-	-	3,318
Inter-segment	-	-	-	-	-
Total revenue	<u>818</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>3,318</u>
<b>Results</b>					
Depreciation	(1,624)	-	-	-	(1,624)
Amortisation	(309)	-	-	-	(309)
Impairment of financial assets	(657)	-	(2,053)	2,053	(657)
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>(2,035)</u>	<u>2,422</u>	<u>(2,153)</u>	<u>2,053</u>	<u>287</u>
<b>Assets</b>					
Investment in subsidiaries	-	-	2	(2)	-
Additions to property, plant and equipment	52	-	-	-	52
Additions to intangible assets	-	-	-	-	-
Amount due from subsidiaries	-	-	2,709	(2,709)	-
Amount due from related company	3	-	-	(3)	-
Segment assets	<u>4,863</u>	<u>2,500</u>	<u>2,713</u>	<u>(2,784)</u>	<u>7,292</u>
<b>Liabilities</b>					
Amount due to holding company	10,835	-	-	(10,835)	-
Amount due to related company	-	3	-	(3)	-
Segment liabilities	<u>11,721</u>	<u>78</u>	<u>272</u>	<u>(10,910)</u>	<u>1,161</u>



## Explanatory notes to the interim financial report

### (b) Geographical information

	<i>Revenue</i> RM'000	<i>Profit/(Loss) before taxation</i> RM'000	<i>Non-current assets</i>		<i>Current asset</i>
			<i>Property, plant and equipment</i> RM'000	<i>Intangible assets</i> RM'000	<i>Trade receivables</i> RM'000
<b>Three months ended 31 July 2011</b>					
Malaysia	1,215	296	1,656	1,564	3,249
Australia	-	-	-	-	-
	<u>1,215</u>	<u>296</u>	<u>1,656</u>	<u>1,564</u>	<u>3,249</u>
<b>Three months ended 31 July 2010</b>					
Malaysia	1,899	(104)	3,247	275	2,709
Australia	-	-	-	209	-
	<u>1,899</u>	<u>(104)</u>	<u>3,247</u>	<u>484</u>	<u>2,709</u>
<b>Twelve months ended 31 July 2011</b>					
Malaysia	4,424	67	1,656	1,564	3,249
Australia	-	-	-	-	-
	<u>4,424</u>	<u>67</u>	<u>1,656</u>	<u>1,564</u>	<u>3,249</u>
<b>Twelve months ended 31 July 2010</b>					
Malaysia	3,318	287	3,247	275	2,709
Australia	-	-	-	209	-
	<u>3,318</u>	<u>287</u>	<u>3,247</u>	<u>484</u>	<u>2,709</u>

#### 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 2010.



## Explanatory notes to the interim financial report

### A14 Significant related party transactions

On 1st April 2010, the Group via its subsidiaries ITSB, received a Contract from eNCoral Digital Solutions Sdn Bhd (EDSSB) for the development of Integrated Campus Management System (ICMS).

Significant transactions between related parties and the Group as at balance sheet date are as follows:

<u>Revenue</u>	<b>Three months ended</b>		<b>Twelve months ended</b>	
	<b>31 July 2011</b>	<b>31 July 2010</b>	<b>31 July 2011</b>	<b>31 July 2010</b>
	RM	RM	RM	RM
Fees on software development in progress receivable from FDSSB	<u>720,000</u>	<u>2,500,000</u>	<u>3,020,000</u>	<u>2,500,000</u>

### 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**

For the current quarter under review ("FY11Q4"), the Group registered a pre-tax profit of RM0.296 million on sales turnover of RM1.215 million. For the financial year-to-date, consolidated profit before tax is RM0.067 million on sales of RM4.424 million.

#### **B2 Material change in profit/(loss) before tax**

	<i>Current quarter ended 31 Jul 2011</i>	<i>Preceding quarter ended 30 Apr 2011</i>
	RM'000	RM'000
Revenue	1,215	1,190
Profit/(Loss) before taxation	296	(224)

In comparison, the preceding quarter ("FY11Q3") recorded a pre-tax loss of RM0.224 million on lower sales of RM1.19 million. For FY11Q4, research and development expenses were lower at +RM1.017 million (FY11Q3: +RM1.073 million). Selling and marketing expenses for FY11Q4 is +RM0.017 million (FY11Q3: nil). Administrative expenses were higher for FY11Q4 at +RM0.158 million (FY11Q3: RM0.117 million).

Other significant individual items of expenditure for FY11Q4 compared to FY11Q3 include depreciation on property, plant and equipment of RM0.367 million (FY11Q3: RM0.412 million) and amortisation of intangible assets of RM0.077 million (FY11Q3: RM0.078 million).

#### **B3 Prospects**

In light of the Group's disappointing revenue and earnings performance in the last three 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 improved results for the succeeding financial year ending 31 July 2012.

#### **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**

There was a placement exercise announced during last quarter. [Refer : CU-110310-40796]. The exercise has not been executed as of the end of this quarter.

### **B9 Borrowings and debt securities**

There were no borrowings and debt securities outstanding and/or issued as at the end of the reporting period.

### **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 30 March 2010, the Company informed that the High Court had on 25 March 2010 struck out the Plaintiff's main action against INIX with cost awarded to the Defendants. Further, after hearing INIX's witnesses, perusing the Company's documents and hearing submissions, the Court then allowed INIX Technologies Sdn Bhd's counterclaim against the Plaintiff as follows: (i) judgement for the sum of RM337,300.00; (ii) interest at 8% on the sum of RM337,300.00 from 19 June 2006 until full settlement; and (iii) cost. The Company's lawyers will proceed to file and extract the Court's order.

### **B12 Dividend payable**

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



## Explanatory notes to the interim financial report

### 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 2011</i>	<i>31 Jul 2010</i>	<i>31 Jul 2011</i>	<i>31 Jul 2010</i>
<b>Basic:</b>				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	296	(104)	67	287
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
<i>Basic earnings/(loss) per ordinary share (sen)</i>	0.26	(0.09)	0.06	0.25
<b>Diluted:</b>				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	296	(104)	67	287
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
Number of shares issuable under ESOS ('000)	-	270	-	270
Number of shares that would have been issued at fair value ('000)	-	(270)	-	(270)
Adjusted weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
<i>Diluted earnings/(loss) per ordinary share (sen)</i>	0.26	(0.09)	0.06	0.25

### 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 30 September 2011.