



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

Unaudited interim financial report

for the quarter ended 31 July 2013



Condensed consolidated income statement for the three-month and twelve-month periods ended 31 July 2013

	Note	Three months ended		Twelve months ended	
		31 July 2013 unaudited RM'000	31 July 2012 unaudited RM'000	31 July 2013 unaudited RM'000	31 July 2012 audited RM'000
Revenue	A9	2,555	1,827	4,667	4,807
Cost of sales		(26)	(673)	(26)	(252)
Gross profit		2,529	1,154	4,641	4,555
Other income	A10	3	10	13	18
Selling and marketing expenses		(0)	(1)	(0)	(1)
Administrative expenses		-	(90)	(324)	(285)
Research and development expenses		(1,010)	(828)	(3,695)	(2,914)
Other expenses		(509)	(212)	(513)	(205)
Amount from discontinued operations		-	-	-	(1,052)
Profit/(Loss) before tax		1,013	33	122	116
Taxation	B5	-	-	-	-
profit/(Loss) for the period		1,013	33	122	116
Profit/(Loss) per share attributable to ordinary equity holders of the Company (sen)					
Basic	B13	0.80	0.03	0.10	0.09
Diluted	B13	-	-	-	-

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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 2013

	Note	As at 31 July 2013 unaudited RM'000	As at 31 Jul 2012 audited RM'000
ASSETS			
Non-Current Assets			
Intangible assets		3,234	3,142
Property, plant and equipment	A11	43	13
		3,277	3,155
Current Assets			
Inventories		-	1
Trade receivables		4,085	4,187
Other receivables, deposits and prepayments		1,318	1,291
Cash and bank balances		202	154
		5,605	5,633
TOTAL ASSETS		8,883	8,788
EQUITY AND LIABILITIES			
Attributable to Equity Holders of the Company			
Share capital		12,645	12,645
Share premium		8,658	8,658
Share option reserve	A7	-	-
Accumulated losses		(13,717)	(13,839)
		7,585	7,464
Non-Current Liability			
Hire purchase payable	B9	-	-
Current liabilities			
Trade payables		200	200
Other payables and accruals		947	1,124
Amount due to director		150	-
		1,297	1,324
TOTAL EQUITY AND LIABILITIES		8,883	8,788
Net assets per share attributable to ordinary equity holders of the Company (RM)			
		0.0600	0.0590

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial statements.



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

Condensed consolidated statement of changes in equity for the twelve-month period ended 31 July 2013

	<i>Attributable to equity holders of the Company</i>			
	<i>Share capital</i>	<i>Share premium</i>	<i>Accu- mulated losses</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000
At 1 August 2011 (audited)	11,495	8,658	(13,955)	6,198
Issued during the year - Share Capital	1,150	-	-	1,150
Profit for the period	-	-	116	116
At 31 July 2012 (audited)	12,645	8,658	(13,839)	7,464
At 1 August 2012 (audited)	12,645	8,658	(13,839)	7,464
Profit for the period	-	-	122	122
At 31 July 2013 (unaudited)	12,645	8,658	(13,717)	7,586

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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 2013

	<i>Twelve months ended</i>	
	31 July 2013	31 July 2012
	<i>unaudited</i>	<i>audited</i>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the period	122	1,168
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	7	10
Impairment loss on other receivable	-	1
Amortisation of intangible assets	498	-
Loss on disposal of subsidiary	(2)	-
Net provision for warranty claims (written back)	-	-
Allowance for doubtful debts made/ (written back)	10	193
Operating profit/(loss) before working capital changes	634	1,372
Decrease/(Increase) in inventories	1	(1)
Decrease in trade receivables	92	(1,212)
Increase in other receivables, deposits and prepayments	(27)	(1,290)
Decrease in trade payables	-	179
Increase/(decrease) in other payables and accruals	(175)	99
Increase in amount due to director	150	-
Net cash generated from/(used in) operating activities	675	(853)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in Intangible assets	(590)	(1,752)
Investment in subsidiary	(0)	-
Purchase of property, plant and equipment	(37)	(1)
Disposal of business segment		1,267
Net cash generated from/(used in) investing activities	(627)	(486)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in share capital	-	1,150
Net cash generated from/(used in) financing activities	-	1,150
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	48	(190)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	154	343
CASH AND CASH EQUIVALENTS AT END OF PERIOD	202	154
<i>These comprise:-</i>		
Cash in hand	16	9
Bank balances	186	145
	202	154

The condensed consolidated cashflow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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 2012. 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 2012.

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 2012.

The Group has not early adopted any new or revised standards, amendments or IC Interpretations which are applicable to the Group that have been issued by the MASB but are not yet effective for the Group's current financial year ended 31 July 2012.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the acceptance of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 July 2013. In presenting its first MFRS financial statements, the Group will be required restate the financial position as at 1 August 2012 to amounts reflecting the application of MFRS Framework.

The change of the financial framework is not expected to have any significant impact of the financial position and performance of the Group and the Company.

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 July 2012 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.

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: except for the changes in ordinary share capital as stated in note B8.



Explanatory notes to the interim financial report

A8 Dividends paid

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

A9 Segmental information

(a) Operating segments

	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Elimina- tions</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
Three months ended 31 July 2013					
Revenue					
External customers	2,500	3	52	-	2,555
Inter-segment	-	-	-	-	-
Total revenue	<u>2,500</u>	<u>3</u>	<u>52</u>	<u>-</u>	<u>2,555</u>
Results					
Depreciation	(2)	-	-	-	(2)
Amortisation	(498)	-	-	-	(498)
Reversal of impairment loss on trade receivables	-	(10)	-	-	(10)
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>521</u>	<u>(22)</u>	<u>(88)</u>	<u>602</u>	<u>1,014</u>
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to intangible assets	-	-	589	-	589
Amount due from holding company	887	-	-	(887)	-
Amount due from a subsidiary company	-	-	-	-	-
Amount due from related company	416	-	-	(416)	-
Segment assets	<u>10,094</u>	<u>-</u>	<u>3,547</u>	<u>(4,758)</u>	<u>8,883</u>
Liabilities					
Amount due to holding company	-	-	-	-	-
Amount due to related company	-	-	3,602	(3,602)	-
Amount due to a subsidiary company	-	-	890	(890)	-
Segment liabilities	<u>4,229</u>	<u>200</u>	<u>1,361</u>	<u>(4,494)</u>	<u>1,296</u>



Explanatory notes to the interim financial report

A9 Segmental information (continued)

(a) Operating segments

	<i>Development and sales of security, automation surveillance systems</i> RM'000	<i>Software and development and system integration</i> RM'000	<i>Sales of Books</i> RM'000	<i>Corporate</i> RM'000	<i>Elimina- tions</i> RM'000	<i>Total</i> RM'000
Three months ended 31 July 2012						
Revenue						
External customers	374	1,449	4	-	-	1,827
Inter-segment	-	-	-	-	-	-
Total revenue	<u>374</u>	<u>1,449</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>1,827</u>
Results						
Depreciation	-	(20)	-	-	-	(20)
Amortisation	(100)	-	-	-	-	(100)
Inventories written-down	-	-	-	-	-	-
Provision for warranty claims	4	-	-	-	-	4
Share-based payments	-	-	-	-	-	-
Segment profit/(loss)	<u>(1,052)</u>	<u>(2,374)</u>	<u>(191)</u>	<u>(1,142)</u>	<u>4,792</u>	<u>33</u>
Assets						
Investment in subsidiaries	-	-	-	1,000	(1,000)	-
Additions to intangible assets	-	1,752	-	-	-	1,752
Additions to property, plant and equipment	-	1	-	-	-	1
Amount due from holding company	-	-	-	-	-	-
Amount due from a subsidiary company	-	-	-	-	-	-
Amount due from related company	-	-	-	3,553	(3,553)	-
Segment assets	<u>-</u>	<u>8,569</u>	<u>1</u>	<u>4,572</u>	<u>(4,553)</u>	<u>8,589</u>
Liabilities						
Amount due to holding company	11,679	-	-	20	(11,699)	-
Amount due to related company	-	-	-	2,903	(2,903)	-
Amount due to a subsidiary company	-	-	-	888	(888)	-
Segment liabilities	<u>11,679</u>	<u>3,726</u>	<u>-</u>	<u>1,216</u>	<u>(15,490)</u>	<u>1,131</u>



Explanatory notes to the interim financial report

A9 Segmental information

(a) Operating segments

<i>Development and sales of security, automation and surveillance systems</i>	<i>Software and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000

Twelve months ended 31 July 2013

Revenue					
External customers	4,560	15	52	-	4,627
Inter-segment	-	-	-	-	-
Total revenue	4,560	15	52	-	4,627
Results					
Depreciation	(5)	-	(2)	-	(7)
Amortisation	(497)	-	-	-	(497)
Trade receivables	-	(10)	-	-	(10)
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Segment profit/(loss)	(310)	(10)	(159)	602	122
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to intangible assets	-	-	589	-	589
Amount due from holding company	887	-	-	(887)	-
Amount due from a subsidiary company	-	-	3,455	(3,455)	-
Amount due from related company	416	-	-	(416)	-
Segment assets	10,094	-	3,547	(4,758)	8,883
Liabilities					
Amount due to holding company	-	-	-	-	-
Amount due to related company	-	-	3,602	(3,602)	-
Amount due to a subsidiary company	-	-	890	(890)	-
Segment liabilities	4,229	200	1,361	(4,494)	1,296



Explanatory notes to the interim financial report

A9 Segmental information

(a) Operating segments

<i>Development and sales of security, automation and surveillance systems (discontinued operations)</i>	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Twelve months ended 31 July 2012

Revenue						
External customers	374	4,800	7	-	-	5,181
Inter-segment	-	-	-	-	-	-
Total revenue	374	4,800	7	-	-	5,181
Results						
Depreciation	(890)	(1)	-	-	-	(891)
Amortisation	(175)	-	-	-	-	(175)
Impairment loss on trade receivables	-	(193)	-	-	-	(193)
Impairment loss in value of investment in subsidiary company	-	-	-	1,000	(1,000)	-
Provision for warranty claims	4	-	-	-	-	4
Segment profit/(loss)	(1,053)	(1,091)	(194)	(1,115)	3,569	116
Assets						
Investment in subsidiaries	-	-	-	1,000	(1,000)	-
Additions to intangible assets	-	1,752	-	-	-	1,752
Additions of property, plant & equipment	-	1	-	-	-	1
Amount due from holding company	-	888	-	-	(888)	-
Amount due from a subsidiary company	-	-	-	3,553	(3,553)	-
Amount due from related company	-	314	-	-	(314)	-
Segment assets	-	9,972	1	3,571	(4,756)	8,788
Liabilities						
Amount due to holding company	11,679	-	-	20	(11,699)	-
Amount due to related company	-	-	-	2,903	(2,903)	-
Amount due to a subsidiary company	-	-	-	888	(888)	-
Segment liabilities	11,679	3,727	200	1,188	(15,470)	1,324



Explanatory notes to the interim financial report

(b) Geographical information

			Non-current assets		Current asset
	Revenue	Profit/(Loss) before taxation	Property, plant and equipment	Intangible assets	Trade receivables
	RM'000	RM'000	RM'000	RM'000	RM'000
Three months ended 31 July 2013					
Malaysia	2,555	1,013	18	-	2,500
Three months ended 31 July 2012					
Malaysia	1,827	33	13	3,142	3,187
Twelve months ended 31 July 2013					
Malaysia	4,667	122	43	3,234	4,085
Twelve months ended 31 July 2012					
Malaysia	5,181	116	13	3,142	4,187

A10 Payment in lieu of short notice

Payment by employee of a sum equivalent to one (1) month salary in lieu of short notice.

A11 Carrying value of revalued assets

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

A12 Changes in the composition of the Group

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

A13 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.

A14 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 2012.



Explanatory notes to the interim financial report

A15 Significant related party transactions

On 1st November 2012, the Group via its subsidiaries ASSB, received a Contract from eNCoral Digital Solutions Sdn Bhd (EDSSB) for the software development work.

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

<u>Revenue</u>	Three months ended		Twelve months ended	
	31-Jul-13	31-Jul-12	31-Jul-13	41,121
	RM'000	RM'000	RM'000	RM'000
Fees on software development in progress receivable from EDSSB	<u>2,540</u>	<u>1,450</u>	<u>4,600</u>	<u>4,800</u>

A16 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 ("FY13Q4"), the Group registered a pre-tax profit of RM1.013million on sales turnover of RM2.555 million. For financial year-to-date, consolidated profit before tax is RM0.122 million on sales of RM4.667 million.

B2 Material change in profit/(loss) before tax

	<i>Current quarter ended 31 July 2013</i>	<i>Preceding quarter ended 30 April 2013</i>
	RM'000	RM'000
Revenue	2,555	1,032
Profit/(Loss) before taxation	1,013	27

In comparison, the preceding quarter ("FY13Q3") recorded a pre-tax profit of RM0.027 million on a sales turnover of RM1.032 million. For FY13Q4, salary expenses were reclassified to research and development which is at RM3.695million .

Other individual items of expenditure for FY13Q4 compared to FY13Q3 includes depreciation on property, plant and equipment of RM0.007 million (FY12Q4: RM0.891 million)

B3 Prospects

In light of the Group's disappointing revenue and earnings performance in the immediately 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 2013.

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.

B7 Quoted securities

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



Explanatory notes to the interim financial report

B8 Corporate proposals

As of the additional listing of and quotation for up to 11,495,000 new ordinary shares of RM0.10 each in INIX ("Placement Shares") on the ACE Market of the Bursa Malaysia Securities Berhad, the Company has exercised the private placement which were fully subscribed at an issue price of RM0.10 per share. These exercises were completed and were subsequently issued and allotted to the investors on 23 March 2012;

Other than the above, there were no corporate proposals announced for the current quarter.

The gross proceeds raised from the Public Issue of RM1.150 million is expected to be utilised for the financial year ending 31st July 2012 in the following manner:

Purpose	Utilisation of proceeds
	RM'000
Working Capital	1,119.50
Listing Expenses	30.00
TOTAL	1,149.50

All proceeds raised were received by ITHB on 30th March 2012.

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.

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 July 2013</i>	<i>31 July 2012</i>	<i>31 July 2013</i>	<i>31 July 2012</i>
Basic:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	1,013	33	122	116
Weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
<i>Basic earnings/(loss) per ordinary share (sen)</i>	0.80	0.03	0.10	0.09
Diluted:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	1,013	33	122	116
Weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
Number of shares issuable under ESOS ('000)	-	-	-	-
Number of shares that would have been issued at fair value ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
<i>Diluted earnings/(loss) per ordinary share (sen)</i>	N/A	N/A	N/A	N/A

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 25th September 2013.

INIX Technologies Holdings Berhad
25th September 2013