

**M N C WIRELESS BERHAD**  
(Company No. 635884 - T)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012 (UNAUDITED)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.6.2012 RM'000	Preceding Year Quarter 30.6.2011 RM'000	Current Year To Date 30.6.2012 RM'000	Preceding Year To Date 30.6.2011 RM'000
Revenue	3,867	4,219	7,148	7,854
Cost of sales	(2,604)	(2,433)	(4,998)	(4,421)
Gross profit	1,263	1,786	2,150	3,433
Operating expenses	(1,946)	(1,796)	(3,658)	(3,450)
Share of loss of an associate	-	-	-	-
Investment income	21	34	46	66
Finance expenses	(13)	-	(20)	-
(Loss)/Profit before taxation	(675)	24	(1,482)	49
Taxation	-	-	-	-
(Loss)/Profit for the period	(675)	24	(1,482)	49
Other comprehensive income	-	-	-	-
Total comprehensive (expense)/ income for the financial period	(675)	24	(1,482)	49
Earning per share				
(i) Basic (Sen)	(0.71)	0.03	(1.57)	0.05
(ii) Diluted (Sen)	N/A	N/A	N/A	N/A

**The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.**

**M N C WIRELESS BERHAD**

(Company No. 635884 - T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 (UNAUDITED)**

	<b>As At 30.6.2012 Unaudited RM'000</b>	<b>As At 31.12.2011 Audited RM'000</b>
<b>Assets</b>		
<b>Non-Current Assets</b>		
Other investment	41	41
Property and equipment	2,924	1,905
Product development expenditure	2,820	2,493
Intangible asset	383	434
	<u>6,168</u>	<u>4,873</u>
<b>Current Assets</b>		
Trade receivables	2,802	3,189
Other receivables, deposits and prepayments	192	125
Tax refundable	13	13
Short term deposits with licensed banks	2,838	3,496
Cash and bank balances	1,033	1,759
	<u>6,878</u>	<u>8,582</u>
<b>Total assets</b>	<u><u>13,046</u></u>	<u><u>13,455</u></u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	9,447	9,447
Share premium	2,232	2,232
Accumulated losses	(2,917)	(1,435)
<b>Total Equity</b>	<u>8,762</u>	<u>10,244</u>
<b>Current Liabilities</b>		
Trade payables	2,599	2,449
Other payables and accruals	432	346
	<u>3,031</u>	<u>2,795</u>
<b>Non Current Liability</b>		
Term loans	1,253	416
<b>Total Liabilities</b>	<u>4,284</u>	<u>3,211</u>
<b>Total equity and liabilities</b>	<u><u>13,046</u></u>	<u><u>13,455</u></u>
No. of ordinary shares ('000)	94,474	94,474
<b>Net assets per ordinary share (sen)</b>	9.27	10.84

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012 (UNAUDITED)**

	<u>Share Capital</u> RM'000	<u>Share Premium</u> RM'000	<u>Accumulated Losses</u> RM'000	<u>Total</u> RM'000
<b>Six (6) months ended 30 June 2012</b>				
As at 1 January 2012	9,447	2,232	(1,435)	10,244
Total comprehensive expenses for the financial period	-	-	(1,482)	(1,482)
As at 30 June 2012	<u>9,447</u>	<u>2,232</u>	<u>(2,917)</u>	<u>8,762</u>
<b>Six (6) months ended 30 June 2011</b>				
As at 1 January 2011	9,447	2,232	(856)	10,823
Total comprehensive income for the financial period	-	-	49	49
As at 30 June 2011	<u>9,447</u>	<u>2,232</u>	<u>(807)</u>	<u>10,872</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012 (UNAUDITED)**

	<b>Curent Year To Date 30.6.2012 RM'000</b>	<b>Preceding Year To Date 30.6.2011 RM'000</b>
<b>Cash Flows From/(For) Operating Activities</b>		
<b>(Loss)/Profit before taxation</b>	(1,482)	49
Adjustments for:-		
Non-cash items	1,121	1,082
Interest expense	20	-
Non-operating items	(46)	(66)
<b>Operating (loss)/profit before working capital changes</b>	<u>(387)</u>	<u>1,065</u>
Decrease in trade and other receivables	320	39
Increase in trade and other payables	236	385
<b>Net cash from operations</b>	<u>169</u>	<u>1,489</u>
Interest paid	(20)	-
Tax refunded	-	4
<b>Net cash from operating activities</b>	<u>149</u>	<u>1,493</u>
<b>Cash Flows (For)/From Investing Activities</b>		
Purchase of property and equipment	(1,219)	(313)
Product development expenditure incurred	(1,197)	(833)
Proceeds from disposal of equipment	-	2
Investment in unquoted shares	-	(41)
Interest received	46	66
<b>Net cash for investing activities</b>	<u>(2,370)</u>	<u>(1,119)</u>
<b>Cash Flow From/(For) Financing Activities</b>		
Drawdown of term loans	1,127	-
Repayments of term loans	(290)	-
Repayments from an associate	-	24
<b>Net cash from financing activities</b>	<u>837</u>	<u>24</u>
Net (decrease)/increase in cash and cash equivalents	(1,384)	398
Cash and cash equivalents at beginning of the financial period	5,255	6,423
Cash and cash equivalents at end of the financial period	<u><u>3,871</u></u>	<u><u>6,821</u></u>
<b>Represented By:</b>		
Cash and bank balances	1,033	2,530
Short term deposits with licensed banks	2,838	4,291
	<u><u>3,871</u></u>	<u><u>6,821</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.