



(Incorporated in Malaysia)

Interim Report for the
Second Quarter Ended
30 September 2013

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GENETEC TECHNOLOGY BERHAD (445537-W)
 INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter			
		Current Year	Preceding Year	Current Year	Preceding Year		
		Quarter	Corresponding	To-date	Corresponding		
		30/09/2013	Quarter	30/09/2012	Period	30/09/2013	30/09/2012
		RM'000	30/09/2012	RM'000	RM'000	RM'000	RM'000
Revenue		33,643	35,336	73,417	72,622		
Cost of sales		(29,064)	(29,966)	(63,015)	(60,648)		
Gross profit		4,579	5,370	10,402	11,974		
Interest income		37	51	68	67		
Other operating income		352	1,754	926	2,140		
Distribution expenses		(701)	(696)	(1,235)	(1,424)		
Administrative expenses		(1,474)	(2,234)	(2,915)	(3,975)		
Other operating expenses		(123)	(48)	(309)	(86)		
Depreciation and amortisation		(794)	(669)	(1,584)	(1,283)		
Profit from operations		1,876	3,528	5,353	7,413		
Finance costs		(645)	(724)	(1,328)	(1,371)		
Net loss on financial assets and financial liabilities at fair value		(332)	1,585	(836)	1,191		
Share of profit in associate		-	-	-	-		
Profit before taxation		899	4,389	3,189	7,233		
Taxation	18	(88)	(75)	(176)	(192)		
Profit from continuing operations		811	4,314	3,013	7,041		
(Loss)/profit from discontinued operation, net of tax		(17)	(2,598)	29	(4,879)		
Profit for the financial period		794	1,716	3,042	2,162		
Other comprehensive income							
Foreign currency translation differences of foreign operations		1,227	875	(878)	219		
Total comprehensive income for the financial period		2,021	2,591	2,164	2,381		
Profit attributable to:							
Equity holders of the parent		1,046	1,786	3,695	2,318		
Non-controlling interest		(252)	(70)	(653)	(156)		
Profit for the financial period		794	1,716	3,042	2,162		
Total comprehensive income attributable to:							
Equity holders of the parent		2,273	2,661	2,817	2,537		
Non-controlling interest		(252)	(70)	(653)	(156)		
Total comprehensive income for the financial period		2,021	2,591	2,164	2,381		
Earning per share (sen) :-	25						
(a) Basic		0.30	0.51	1.05	0.66		
(b) Fully diluted		N/A	N/A	N/A	N/A		

Note N/A : Not Applicable

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

GENETEC TECHNOLOGY BERHAD (445537-W)
 INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at end of current quarter 30/09/2013 RM'000	(Audited) As at preceding financial year ended 31/03/2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	47,398	48,714
Investment in associate company	106	106
Intangible assets	20,560	20,560
	68,063	69,380
Current assets		
Inventories	21,353	30,099
Trade receivables	23,786	17,871
Derivative assets	21	92
Other receivables	2,775	2,782
Current tax asset	1,091	883
Cash and cash equivalents	14,881	10,702
	63,886	62,429
Assets of disposal groups held for sale	22	3,719
	132,075	135,528
	132,075	135,528
EQUITY AND LIABILITIES		
Equity		
Share capital	35,174	35,174
Reserves	14,632	11,815
Equity attributable to equity holders of the parent	49,806	46,989
Non-controlling interest	363	1,016
Total equity	50,169	48,005
Non-current liabilities		
Hire purchase liabilities	20	3,398
Borrowings	20	18,012
Deferred tax liability	317	317
Current liabilities		
Trade payables	10,386	11,091
Other payables	7,771	10,897
Amount due to associate company	325	142
Amount due to related companies	251	454
Current tax liabilities	-	4
Derivative liabilities	21	-
Borrowings	20	23,811
Hire purchase liabilities	20	1,537
	48,987	47,936
Liabilities of disposal groups held for sale	22	17,860
	132,075	135,528
	132,075	135,528
Net assets per share (RM)*	0.14	0.13

Note:

* Net assets per share attributable to shareholders of the Company : Equity attributable to equity holders of the parent /Number of issued and paid-up ordinary shares

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

GENETEC TECHNOLOGY BERHAD (445537-W)
 INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non Distributable		Distributable		Total RM'000	Non-controlling interest RM'000	Total equity RM'000
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Profits RM'000			
<u>6 months ended 30 September 2012</u>							
Balance at 1 April 2012	35,174	18,379	(87)	19,400	72,866	10,130	82,996
Total comprehensive income for the period	-	-	219	2,318	2,537	(156)	2,381
Dividend to owners of the Company	-	-	-	-	-	(2,940)	(2,940)
Balance at 30 September 2012	35,174	18,379	132	21,718	75,403	3,772	79,175
<u>6 months ended 30 September 2013</u>							
Balance at 1 April 2013	35,174	18,379	(44)	(6,520)	46,989	1,016	48,005
Total comprehensive income for the period	-	-	(878)	3,695	2,817	(653)	2,164
Balance at 30 September 2013	35,174	18,379	(922)	(2,825)	49,806	363	50,169

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

GENETEC TECHNOLOGY BERHAD (445537-W)
INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) 6 months ended 30/09/2013 RM'000	(Unaudited) 6 months ended 30/09/2012 RM'000
Operating Activities		
Net profit/(loss) before tax		
- continued operations	3,189	7,233
- discontinued operations	29	(4,879)
	<u>3,218</u>	<u>2,354</u>
Adjustment for :-		
Depreciation and amortisation	1,692	1,459
Gain on disposal of property, plant and equipment	-	(3,025)
Interest costs	1,547	1,750
Interest income	(68)	(66)
Unrealised derivative loss/(gain)	836	(1,191)
Unrealised foreign exchange (gain)/loss	(94)	838
	<u>7,131</u>	<u>2,119</u>
Operating profit before changes in working capital		
Changes in working capital		
Inventories	8,748	(7,240)
Trade and other receivables	(4,712)	(4,732)
Trade and other payables	(4,723)	13,148
	<u>6,444</u>	<u>3,295</u>
Net cash generated from operating activities		
Income tax paid	(386)	(351)
	<u>6,058</u>	<u>2,944</u>
Net cash generated from operating activities		
Investing Activities		
Interest received	68	66
Proceeds from disposal of property, plant and equipment	838	5,059
Purchase of property, plant and equipment	(269)	(6,531)
	<u>637</u>	<u>(1,406)</u>
Net cash generated from/(used in) investing activities		
Financing Activities		
Dividend paid to non-controlling interest	-	(2,940)
Net drawdown of bank borrowings	520	5,666
Net repayment of term loan	(2,240)	792
Net repayment of hire purchase liabilities	(819)	(534)
Interest paid	(1,547)	(1,750)
	<u>(4,086)</u>	<u>1,234</u>
Net cash (used in)/generated from financing activities		
Net change in cash and cash equivalents	2,609	2,772
Effect of exchange rate fluctuation on cash held	(420)	(219)
Cash and cash equivalents at beginning of year	11,930	2,344
	<u>14,119</u>	<u>4,897</u>
Cash and cash equivalents at end of period/year		
Cash and cash equivalent comprise of:-		
Continuing operation		
Deposit with licensed bank	2,089	87
Cash and bank balances	12,792	5,468
Bank overdraft	(887)	-
	<u>13,994</u>	<u>5,555</u>
Discontinued operation		
Cash and bank balances	125	(658)
	<u>14,119</u>	<u>4,897</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

The figures have not been audited

1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with the requirements of the Malaysia Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial report should be read in conjunction with the audited financial statements of Genetec Technology Berhad ("Genetec" or the "Company") for the financial year ended 31 March 2013. These explanatory notes attached to the interim financial report provides an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2013.

The significant accounting policies and methods of computation adopted by Genetec and its subsidiary companies ("Genetec Group" or the "Group") in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 March 2013 except for the adoption of the following accounting standards, amendments, and interpretations that have been issued by the MASB but are not yet effective and have not been applied by the Group:-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to MFRS 10, Consolidated Financial Statements: Investment Entities
- Amendments to MFRS 12, Disclosure of Interests in Other Entities: Investment Entities
- Amendments to MFRS 127, Separate Financial Statements (2011): Investment Entities
- Amendments to MFRS 132, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- MFRS 9, Financial Instruments (2009)
- MFRS 9, Financial Instruments (2010)
- Amendments to MFRS 7, Financial Instruments: Disclosure – Mandatory Effective Date of MFRS 9 and Transition Disclosures

The initial application of the above standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior periods financial statements upon their first adoption.

2. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

There were no audit qualifications on the annual financial statements of the Company and its subsidiaries for the financial year ended 31 March 2013.

3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The business of the Group is not affected by any significant seasonal or cyclical factors for the current quarter under review.

4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

During the current quarter under review, all the assets and liabilities of USA Subsidiaries were classified as held for sale, while the profit or loss for the financial period of the USA Subsidiaries were classified as profit or loss from discontinued operations. This consequentially affected assets, liabilities, equity, net income or cash flows of the Group.

5. MATERIAL CHANGE IN ESTIMATES

There were no material changes in the nature and amount of estimates reported that have had a material effect on the results for the current quarter under review.

6. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

7. DIVIDEND PAID

There was no dividend paid during the current quarter under review.

8. SEGMENT INFORMATION

Business segment information is not presented as the Group is primarily engaged in one business segment which is designing and building of customised factory automation equipment and integrated vision inspection systems from conceptual design, development of prototype to mass replication of equipment.

The Group's operations are operated in Malaysia and USA. In February 2013, the management of the Group had committed to a plan to cease and scale down its USA operations. The decision is consistent with the Group's strategy to focus on profitable businesses and to divest subsidiaries which have been consistently underperforming over the years. The assets and liabilities relating to USA Subsidiaries have been presented separately as a disposal group held for sale in the Group's statement of financial position under "assets classified as held for sale" and "liabilities classified as held for sale". As at 30 September 2013, geographical segmental information is presented as follows:-

	Malaysia RM'000	USA RM'000	Consolidated RM'000
Results For 6 Months Period Ended 30 September 2013			
Revenue from external customers	73,417	-	73,417
Segment result	5,353	-	5,353
Results from operating activities			5,353
Finance costs			(1,328)
Net loss on financial assets and financial liabilities at fair value			(836)
Share of profit of associate company			-
Profit before taxation			3,189
Tax expenses			(176)
Profit after taxation			3,013
Profit on discontinued operation, net of tax			29
Profit for the financial period			3,042

	Malaysia RM'000	USA RM'000	Consolidated RM'000
Results For 6 Months Period Ended 30 September 2012			
Revenue from external customers	72,622	-	72,622
Segment result	7,413	-	7,413
Results from operating activities			7,413
Finance costs			(1,371)
Net loss on financial assets and financial liabilities at fair value			1,191
Share of profit of associate company			-
Profit before taxation			7,233
Tax expenses			(192)
Profit after taxation			7,041
Loss on discontinued operation, net of tax			(4,879)
Profit for the financial period			2,162

9. PROPERTY, PLANT AND EQUIPMENT

There was no revaluation on any of the Group's property, plant and equipment during the current quarter under review.

10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

There is no material event affecting the Group subsequent to the current quarter under review.

11. CHANGES IN THE COMPOSITION OF THE GROUP

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

12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at 30 September 2013 and up to the date of this report, except the following:-

	Group	Company
	30.9.2013	30.9.2013
	RM'000	RM'000
Unsecured		
Corporate guarantee given to Wells Fargo Bank for facilities granted to USA Subsidiaries	-	2,964

13. CAPITAL COMMITMENTS

There was no capital commitment for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2013.

14. REVIEW OF PERFORMANCE

For the current quarter ended 30 September 2013, the Group recorded revenue of RM33.6 million from continuing operations, a decrease of 4.8% over the corresponding quarter ended 30 September 2012 of RM35.3 million. The Group registered profit before taxation from continuing operations of approximately RM0.9 million as compared to RM4.4 million in the preceding year corresponding quarter. This was mainly attributable to RM2.8 million gain on disposal of factory in the preceding year corresponding quarter. These results exclude the USA business which is a discontinued operation unit as stated in note 22.

15. COMPARISON WITH PRECEDING QUARTER'S RESULTS

For the current quarter, the Group recorded revenue of RM33.6 million, a decrease of 15.4% as compared to the immediate preceding quarter of RM39.8 million. The group registered a profit before taxation of RM0.9 million, 60.7% declined as compared to RM2.3 million for the immediate preceding quarter. The decrease in profit before taxation was mainly caused by lower sale volume achieved for the current quarter under review. These results exclude the discontinued USA operations unit.

16. PROSPECTS

The Directors of Genetec anticipate that the Group's performance for the second half of the year should be satisfactory in nature.

17. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

Not applicable as Genetec has not issued any profit forecast or profit guarantee in a public document.

18. TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.2013 RM'000	Preceding Year Corresponding Quarter 30.09.2012 RM'000	Current Period To- Date 30.09.2013 RM'000	Preceding Year Corresponding Period 30.09.2012 RM'000
In respect of current year:				
- income tax	(88)	(75)	(176)	(192)

The effective tax rate of the Group for the financial period ended 30 September 2013 was lower than the statutory tax rate due to availability of pioneer status tax incentive.

19. STATUS OF CORPORATE PROPOSAL

There are no outstanding corporate proposals at the date of this report.

20. BORROWINGS

Details of the Group's borrowings as at 30 September 2013 are as follows:

Current	RM'000
Unsecured: Hire purchase	1,580
Secured: Term loan	4,524
Trade bills	23,314
Total current loans and borrowings	<u>29,418</u>
Non-current	RM'000
Unsecured: Hire purchase	2,579
Secured: Term loan	15,824
Total non-current loans and borrowings	<u>18,404</u>

21. FINANCIAL INSTRUMENTS

Derivatives

As at 30 September 2013, the foreign currency forward contracts which have been entered into by the Group to hedge against foreign trade receivable are as follows:-

Forward Foreign Currency Contracts	Contract Value (RM'000)	Fair Value (RM'000)	Difference (RM'000)
US Dollar - Less than 1 year	21,166	22,002	(836)

All derivative financial instruments held by the Group will be recognized as assets or liabilities in the balance sheets, and will be classified as financial assets or financial liabilities at fair value through profit and loss. When derivative financial instruments are recognised initially, they are measured at fair value. Subsequent to initial recognition, derivative financial instruments are measured at fair value. Any gains or losses from changes in fair value of the derivatives financial instruments will be recognized in profit and loss.

22. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

As at 30 September 2013, the assets and liabilities related to USA subsidiaries have been presented in the statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale", and its results are presented separately on the statement of profit or loss and other comprehensive income as "profit from discontinued operation, net of tax".

Statement of financial position disclosure

The major classes of assets and liabilities of USA Subsidiaries classified as held for sale as at 30 September 2013 are as follows:

	Group RM'000
Assets:	
Plant and equipments	-
Trade and other receivables	-
Cash and bank balances	125
	<hr/>
Assets of disposal group classified as held for sale	125
Liabilities:	
Long term borrowings	(3,008)
Short term borrowings	(3,496)
Trade and other payables	(7,694)
	<hr/>
Liabilities of disposal group classified as held for sale	(14,198)
Net liabilities of disposal group classified as held for sale	<hr/> <u>(14,073)</u>

Statement of comprehensive income disclosure

The result of USA Subsidiaries for the period ended 30 September 2013 as follows:

	Group RM'000
Revenue	2,565
Cost of sales	(2,420)
Gross profit	<u>145</u>
Other operating income	625
Selling and distribution expenses	(48)
Administrative expenses	(367)
Depreciation and amortisation	(108)
Finance costs	<u>(218)</u>
Profit before tax from discontinued operation	29
Taxation	-
Profit for the period, net of tax	<u><u>29</u></u>

Statement of cash flow disclosure

The cash flows attributable to USA Subsidiaries as at 30 September 2013 as follows:

	Group RM'000
Operating	1,589
Investing	-
Finance	(2,703)
Net cash outflow	<u><u>(1,708)</u></u>

23. MATERIAL LITIGATIONS

As at the date of this report, neither the Company nor its subsidiaries 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 subsidiaries and the Board of Directors 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 subsidiaries, save for the following:

- (i) On 23 April 2013, the Board of Directors of Genetec announced that Systems South, Inc ("SSI") and Genetec Global Technologies, Inc. ("GGT") (collectively as "Defendants"), both subsidiaries of Genetec based in United States of America, have been named as defendants in a civil suit filed by Electro Mechanical Handling, Inc ("EMH") ("the plaintiff") in the United States District Court for the Western District of Virginia, bearing Civil Action No. 13-cv-00027-NKM.

EMH is claiming the alleged remainder due under a contract entered into between EMH and SSI, amounting to USD136,724.90, together with interest of 1.5% per month starting from 21 January 2013 until full settlement, and such other and further relief as the nature of this case shall require and to the court shall seem just and proper.

The maximum expected losses from the Summon/Judgment, if any, is USD136,724.90 (equivalent to RM423,847.19) plus interest rate of 1.5% per month to

be calculated from 21 January 2013 until full settlement, and such other and further relief as the nature of this case shall require and to the court shall award to EMH.

Based on the above, the Board of Directors are of the view that the claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendants are managed independently from the Malaysian businesses and operations, and neither Defendant is a major subsidiary of Genetec.

- (ii) On 20 May 2013, the Board of Directors of Genetec (“the Board”) announced that System’s South, Inc (“SSI” or “the Defendant”), a subsidiary of Genetec based in United States of America, has been named as defendant in a civil suit filed by McNaughton-Mckay Southeast, Inc. (“McNaughton” or “the Plaintiff”) in the Court of Common Pleas, 13th Judicial Circuit, County of Greenville, State of South Carolina, United States of America, bearing case number: 2013-CP-23-02519.

Genetec had on 17 May 2013 late evening received a Summons and a Complaint for the Defendant dated 29 April 2013 (“the Summons & Complaint”) from an employee of SSI in United States of America via email, which in turn was received by the said employee on 16 May 2013 from the Plaintiff’s solicitors, Craig H. Allen, Esq. of Messrs Craig H Allen, P.A.

McNaughton is claiming the alleged indebtedness of USD72,378.02, and such other and further relief as the nature of this case shall require and to the court shall seem just and proper.

The maximum expected losses from the Summons/Judgment, if any, is USD72,378.02 (equivalent to RM224,371.86) and such other and further relief as the nature of this case shall require and to the court shall award to McNaughton.

The claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendant is managed independently from the Malaysian businesses and operations, and the Defendant is not a major subsidiary of Genetec.

- (iii) On 23 May 2013, the Board of Directors of Genetec (“the Board”) announced that System’s South, Inc. (“SSI”) and Genetec Technology Automation, Inc. (“GTA”) (collectively as “Defendants”), both subsidiaries of Genetec based in United States of America, have been named as defendants in a civil suit filed by TRS Staffing Solutions, Inc (“TRS”) (“the Plaintiff”) in the Court of Common Pleas, County of Greenville, State of South Carolina, United States of America, bearing Civil Action Coversheet : 2013-CP-23-02592.

TRS is claiming the alleged remainder due under the contracts entered into between TRS and the Defendants, amounting to USD101,011.49, together with attorney’s fees, costs, certain contractually-allowed interest and pre-judgment interest against Defendants, and such other and further relief as the court deems appropriate.

The maximum expected losses from the Summons/Judgment, if any, is USD101,011.49 (equivalent to RM313,135.62) plus attorney’s fees, costs, certain contractually-allowed interest, and pre-judgment interest against Defendants, and such other and further relief as the court deems appropriate.

The claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendants are managed independently from the Malaysian businesses and operations, and neither Defendant is a major subsidiary of Genetec.

On 15 July 2013, the Plaintiff moves the Court for an Order adjudging the Defendants to be in fault for failing to file a responsive pleading or otherwise plead or appear within the time required by law of South Carolina and for entry of Default Judgment against the Defendants, based on Verified Complaint by the Plaintiff, which pleads its right to the sum of USD101,011.49.

The Plaintiff will be entitled to the relief sought if no objection is filed by the Defendants within 10 days from the date of service of the Motion Notice.

- (iv) On 23 August 2013, the Board of Directors of Genetec (“the Board”) announced that Genetec Global Technologies, Inc. (“GGT” or “the Defendant”), a wholly-owned subsidiary of Genetec based in United States of America, has been named as defendant in a civil suit filed by Aerotek, Inc. (“Aerotek” or “the Plaintiff”) in the Court of Common Pleas, County of Greenville, State of South Carolina, United States of America, bearing case number: 2013-CP-23-04391.

Aerotek is claiming the alleged indebtedness of USD49,438.69 with interest and/or late charges at 1% per month from 3 May 2013 and attorney’s fees.

The maximum expected losses from the Summons/Judgment, if any, is USD49,438.69 (equivalent to RM153,259.94) with interest and/or late charges at 1% per month from 3 May 2013 and attorney’s fees.

The claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendant is managed independently from the Malaysian businesses and operations, and the Defendant is not a major subsidiary of Genetec.

- (v) On 17 September 2013, the Board of Directors of Genetec (“the Board”) announced that Genetec Technology Automation, Inc. (“GTA” or “the Defendant”), a subsidiary of Genetec based in United States of America, has been named as defendant in a civil suit filed by McNaughton-Mckay Southeast, Inc. (“McNaughton” or “the Plaintiff”) in the Court of Common Pleas, County of Greenville, State of South Carolina, United States of America, bearing case number: 2013-CP-23-02520.

McNaughton is claiming the alleged indebtedness of USD9,411.62, and such other and further relief as the nature of this case shall require and to the court shall seem just and proper.

The maximum expected losses from the Summons/Judgment, if any, is USD9,411.62 (equivalent to RM30,117.18) and such other and further relief as the nature of this case shall require and to the court shall award to McNaughton.

The claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendant is managed independently from the Malaysian businesses and operations, and the Defendant is not a major subsidiary of Genetec.

- (vi) On 17 October 2013, the Board of Directors of Genetec (“the Board”) wishes to announce that System’s South, Inc. (“SSI” or “the Defendant”), a subsidiary of Genetec based in United States of America, has been named as defendant in a civil suit filed by Ryerson, Inc. (“Ryerson” or “the Plaintiff”) in the Court of Common Pleas, County of Greenville, State of South Carolina, United States of America, bearing case number: 13-CP-23-05336.

Ryerson is claiming the alleged indebtedness of USD11,377.42, plus costs and prejudgment interest, and such other and further relief as the nature of this case shall require and to the court shall seem just and proper.

The maximum expected losses from the Summons/Judgment, if any, is USD11,377.42 (equivalent to RM36,407.74) plus costs and prejudgment interest, and such other and further relief as the nature of this case shall require and to the court shall award to Ryerson. The prejudgment interest was not indicated in the Summons and Complaint.

The claim has no reasonably foreseeable material financial and operational impact on the Genetec Group, as the businesses and operations of the Defendant is managed independently from the Malaysian businesses and operations, and the Defendant is not a major subsidiary of Genetec.

24. DISCLOSURE OF REALISED AND UNREALISED PROFITS

On 25 March 2010, Bursa Securities issued a directive to all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses at end of the reporting period, into realised and unrealised profits and losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 30 June 2013 and 30 September 2013, into realised and unrealised profits, pursuant to the directive is as follows:

	As at 30.09.2013 RM'000	As at 30.06.2013 RM'000
Total accumulated losses of the Group:		
- Realised	(19,875)	(20,399)
- Unrealised	(326)	134
	<hr style="width: 100%; border: 0.5px solid black;"/> (20,201)	<hr style="width: 100%; border: 0.5px solid black;"/> (20,265)
Total share of retained profits from an associate		
- Realised	-	-
	<hr style="width: 100%; border: 0.5px solid black;"/> (20,201)	<hr style="width: 100%; border: 0.5px solid black;"/> (20,265)
Less: Consolidation adjustments	17,376	16,394
	<hr style="width: 100%; border: 0.5px solid black;"/>	<hr style="width: 100%; border: 0.5px solid black;"/>
Total accumulated losses as per statement of financial position	(2,825)	(3,871)
	<hr style="width: 100%; border: 1px solid black;"/>	<hr style="width: 100%; border: 1px solid black;"/>

25. EARNINGS PER SHARE

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.13 RM' 000	Preceding Year Corresponding Quarter 30.09.12 RM' 000	Current Year To-date 30.09.13 RM' 000	Preceding Year Corresponding Period 30.09.12 RM' 000
Basic earnings per share EPS				
Net profit attributable to equity holders of the parent	1,046	1,786	3,695	2,318
Weighted average number of ordinary shares in issue	351,738	351,738	351,738	351,738
Basic EPS (sen)	0.30	0.51	1.05	0.66
Diluted earnings per share EPS				
Net profit attributable to equity holders of the parent	1,046	1,786	3,695	2,318
Weighted average number of ordinary shares in issue	N/A	N/A	N/A	N/A
Diluted EPS (sen)	N/A	N/A	N/A	N/A