

TECHNODEX BHD ("TB" or "Company")

Company No. 627634-A

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

which is integral to the announcement of quarterly report for the period ended 31 December 2010

	<b>UNAUDITED</b> <b>AS AT END OF CURRENT</b> <b>QUARTER AT</b> <b>31-Dec-2010</b> <b>RM'000</b>	<b>AUDITED</b> <b>AS AT PRECEDING</b> <b>FINANCIAL YEAR ENDED AT</b> <b>30-Jun-2009</b> <b>RM'000</b>
<b>Assets</b>		
<b>Non-current Assets</b>		
Investments in an associate	1,331	6,811
Property, plant and equipment	3,412	5,526
Goodwill on consolidation	1,559	1,559
Development costs	4,202	7,447
Other intangible assets	9,825	7,781
	<u>20,329</u>	<u>29,124</u>
<b>Current Assets</b>		
Inventories	10	10
Trade receivables	13,732	24,977
Other receivables, deposits and prepayments	751	256
Amount due from associate	1,123	5,290
Tax recoverable	13	13
Fixed deposits with licensed banks	4,377	3,250
Cash and bank balances	2,166	828
	<u>22,172</u>	<u>34,624</u>
<b>Total Assets</b>	<u><u>42,501</u></u>	<u><u>63,748</u></u>
<b>Equity and Liabilities</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share Capital	22,739	17,833
Share Premium	746	118
Exchange fluctuation reserve	613	158
Other reserves	214	525
Retained (Loss)/Profits	(3,740)	29,257
<b>Total Equity</b>	<u>20,572</u>	<u>47,891</u>
<b>Non-current and deferred liabilities</b>		

Long term borrowings	5,873	3,450
<b>Current Liabilities</b>		
Other payables and accruals	6,597	2,910
Short term borrowings	5,106	5,307
Bank overdraft	4,289	4,177
Provision for taxation	64	13
	<u>16,056</u>	<u>12,407</u>
<b>Total Liabilities</b>	<u>21,929</u>	<u>15,857</u>
<b>Total Equity and Liabilities</b>	<u><u>42,501</u></u>	<u><u>63,748</u></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>9.05</u>	<u>26.86</u>

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**which is integral to the announcement of quarterly report for period ended 31 December 2010**

	INDIVIDUAL QUARTER		18 MONTHS CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31-Dec-2010 RM'000	PRECEDING CORRESPONDING QUARTER ENDED 31-Dec-2009 RM'000	CURRENT YEAR TO DATE ENDED 31-Dec-2010 RM'000	PRECEDING YEAR TO DATE ENDED 31-Dec-2009 RM'000
Revenue	813	3,720	8,366	27,110
Other operating income	72	335	844	505
Employee benefits	(940)	(1,098)	(6,361)	(6,651)
Depreciation & amortisation	(1,064)	(858)	(5,960)	(4,761)
Other operating expenses	(16,342)	(1,545)	(23,820)	(9,482)
(Loss)/Profit from operations	<u>(17,461)</u>	<u>554</u>	<u>(26,931)</u>	<u>6,721</u>
Share of (loss)/profit of associate	(51)	-	(154)	2,534
Finance costs	(251)	(257)	(1,375)	(1,168)
(Loss)/Profit before taxation	<u>(17,763)</u>	<u>297</u>	<u>(28,460)</u>	<u>8,087</u>
Income tax expenses	(9)	(6)	(47)	(37)
(Loss)/Profit after taxation	<u><u>(17,772)</u></u>	<u><u>291</u></u>	<u><u>(28,507)</u></u>	<u><u>8,050</u></u>
Attributable to:				
Equity holders of the Company	<u><u>(17,772)</u></u>	<u><u>291</u></u>	<u><u>(28,507)</u></u>	<u><u>8,050</u></u>
(Loss)/Earnings per share (sen)				
- Basic	<u><u>(7.82)</u></u>	<u><u>0.16</u></u>	<u><u>(13.63)</u></u>	<u><u>4.51</u></u>
- Diluted	<u><u>(7.18)</u></u>	<u><u>0.15</u></u>	<u><u>(12.42)</u></u>	<u><u>4.25</u></u>

The unaudited Condensed Consolidated Income Statements should be read in conjunction with Audited Financial Statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**which is integral to the announcement of quarterly report for period ended 31 December 2010**

	<b>18 MONTHS ENDED UNAUDITED CURRENT YEAR TO DATE ENDED 31-Dec-2010 RM'000</b>	<b>12 MONTHS ENDED AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 30-Jun-2009 RM'000</b>
<b>Cash flows from/(for) operating activities</b>		
(Loss)/Profit before tax	(28,460)	7,749
Adjustment for non-cash items	19,717	2,339
Operating (loss)/profit before working capital changes	<u>(8,743)</u>	<u>10,088</u>
Changes in working capital:		
Net change in current assets	6,961	(15,547)
Net change in current liabilities	3,782	1,858
<b>Cash flows from/(used in) operations</b>	<u>2,000</u>	<u>(3,601)</u>
Tax paid	4	(15)
Interest paid	(1,375)	(725)
<b>Net cash from/(used in) operating activities</b>	<u>629</u>	<u>(4,341)</u>
<b>Cash flows for investing activities</b>		
Purchase of property, plant and equipment	(52)	(99)
Intangible assets/Development costs incurred	(3,663)	(4,878)
Interest received	191	113
<b>Net cash used in investing activities</b>	<u>(3,524)</u>	<u>(4,864)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	884	21
Repayment to Directors	-	(8)
Net hire purchase and finance lease payables	(98)	(206)
Net term loan	4,158	5,980
Listing expense	(151)	-
<b>Net cash from financing activities</b>	<u>4,793</u>	<u>5,787</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,898	(3,418)
Foreign reserve	455	131
Cash and cash equivalents at beginning of the financial period	(99)	3,188
<b>Cash and cash equivalents at end of the financial period</b>	<u>2,254</u>	<u>(99)</u>
<b><u>Cash and cash equivalents at the end of the financial period comprises the following :-</u></b>		
Fixed deposits with licensed banks	4,377	3,250
Cash and bank balances	2,166	828
Bank overdraft	(4,289)	(4,177)
	<u>2,254</u>	<u>(99)</u>

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
 which is integral to the announcement of quarterly report for period ended 31 December 2010

	← Attributable to Equity Holders of the Company →					Total RM'000
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Exchange fluctuation reserve RM'000	Other reserves RM'000	Distributable Retained Profits RM'000	
At 1 July 2009	17,833	118	158	525	29,257	47,891
Issuance of ordinary shares:-						
- pursuant to ESOS	416	421	-	-	-	837
- pursuant to bonus issue	4,490	-	-	-	(4,490)	-
Listing expenses incurred	-	(151)	-	-	-	(151)
Share options exercised by employees	-	358	-	(311)	-	47
Currency translation difference not recognised in income statement	-	-	455 *	-	-	455
Loss after taxation for the financial period	-	-	-	-	(28,507)	(28,507)
At 31 December 2010	<u>22,739</u>	<u>746</u>	<u>613</u>	<u>214</u>	<u>(3,740)</u>	<u>20,572</u>
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At 1 July 2008	17,824	106	14	421	21,533	39,898
Issuance of ordinary shares:-						
- pursuant to ESOS	9	12	-	-	-	21
Listing expenses incurred	-	-	-	-	-	-
Share options exercised by employees	-	-	-	104	-	104
Currency translation difference not recognised in income statement	-	-	144 *	-	-	144
Profit after taxation for the financial period	-	-	-	-	7,724	7,724
At 30 June 2009	<u>17,833</u>	<u>118</u>	<u>158</u>	<u>525</u>	<u>29,257</u>	<u>47,891</u>

\* represents gain/(expenses) not recognised in income statement.

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.