

TECHNODEX BHD ("TB" or "Company")

Company No. 627634-A

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

which is integral to the announcement of quarterly report for the period ended 30 June 2011

	UNAUDITED AS AT END OF CURRENT QUARTER AT 30-Jun-2011 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 31-Dec-2010 RM'000
<b>Assets</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	3,097	3,412
Goodwill on consolidation	1,559	1,559
Development costs	4,631	4,202
Other intangible assets	8,362	10,053
	<u>17,649</u>	<u>19,226</u>
<b>Current Assets</b>		
Trade receivables	18,404	13,917
Other receivables, deposits and prepayments	646	612
Tax recoverable	12	13
Fixed deposits with licensed banks	3,751	4,377
Cash and bank balances	702	2,162
	<u>23,515</u>	<u>21,081</u>
<b>Total Assets</b>	<u>41,164</u>	<u>40,307</u>
<b>Equity and Liabilities</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share Capital	23,452	22,739
Share Premium	1,080	746
Exchange fluctuation reserve	1,031	791
Other reserves	166	214
Retained (Loss)/Profits	(4,217)	(6,473)
<b>Total Equity</b>	<u>21,512</u>	<u>18,017</u>
<b>Non-current and deferred liabilities</b>		
Long term borrowings	4,238	5,164
Government grant	600	360
	<u>4,838</u>	<u>5,524</u>
<b>Current Liabilities</b>		
Other payables and accruals	5,505	6,237
Short term borrowings	4,967	6,176
Bank overdraft	4,277	4,289
Provision for taxation	65	64
	<u>14,814</u>	<u>16,766</u>
<b>Total Liabilities</b>	<u>19,652</u>	<u>22,290</u>
<b>Total Equity and Liabilities</b>	<u>41,164</u>	<u>40,307</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>0.09</u>	<u>0.08</u>

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**which is integral to the announcement of quarterly report for period ended 30 June 2011**

	INDIVIDUAL QUARTER		6 MONTHS	12 MONTHS
	CURRENT QUARTER ENDED 30-Jun-2011 RM'000	PRECEDING CORRESPONDING QUARTER ENDED 30-Jun-2010 RM'000	CURRENT YEAR TO DATE ENDED 30-Jun-2011 RM'000	CUMULATIVE QUARTER PRECEDING YEAR TO DATE ENDED 30-Jun-2010 RM'000
Revenue	4,532	1,666	9,076	7,351
Other operating income	68	340	384	732
Employee benefits	(753)	(1,590)	(1,659)	(4,645)
Depreciation & amortisation	(1,138)	(1,055)	(2,268)	(3,804)
Other operating expenses	(1,253)	(791)	(2,831)	(4,402)
Profit/(Loss) from operations	<u>1,456</u>	<u>(1,430)</u>	<u>2,702</u>	<u>(4,768)</u>
Share of profit of associate	-	-	-	1,272
Finance costs	(209)	(239)	(445)	(923)
Profit/(loss) before taxation	<u>1,247</u>	<u>(1,669)</u>	<u>2,257</u>	<u>(4,419)</u>
Income tax expenses	-	(8)	(1)	(29)
Profit/(loss) after taxation	<u><u>1,247</u></u>	<u><u>(1,677)</u></u>	<u><u>2,256</u></u>	<u><u>(4,448)</u></u>
Attributable to:				
Equity holders of the Company	<u><u>1,247</u></u>	<u><u>(1,677)</u></u>	<u><u>2,256</u></u>	<u><u>(4,448)</u></u>
(Loss)/Earnings per share (sen)				
- Basic	<u><u>0.53</u></u>	<u><u>(0.74)</u></u>	<u><u>0.97</u></u>	<u><u>(2.22)</u></u>
- Diluted	<u><u>0.49</u></u>	<u><u>(0.69)</u></u>	<u><u>0.89</u></u>	<u><u>(2.06)</u></u>

The unaudited Condensed Consolidated Income Statements should be read in conjunction with Audited Financial Statements for the financial period ended 31 December 2010 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 30 June 2011

	← Attributable to Equity Holders of the Company →				Distributable Retained Profits RM'000	Total RM'000
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Other reserves RM'000	Exchange fluctuation reserve RM'000		
At 1 Jan 2011	22,739	746	214	791	(6,473)	18,017
Bonus issue expenses	-	-	-	-	-	-
Currency translation difference not recognised in income statement	-	-	-	240	-	240
Loss after taxation for the financial period	-	-	-	-	2,256	2,256
Total recognised income and expense for the financial period	-	-	-	240	2,256	2,496
Issuance of ordinary shares:-						
- pursuant to ESOS	713	286	-	-	-	999
- pursuant to bonus issue	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-
Transfer from other reserve to share premium	-	48	(48)	-	-	-
At 30 June 2011	<u>23,452</u>	<u>1,080</u>	<u>166</u>	<u>1,031</u>	<u>(4,217)</u>	<u>21,512</u>
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At 1 July 2009	17,834	118	525	158	29,256	47,891
Bonus issue expenses	-	(162)	-	-	-	(162)
Currency translation difference not recognised in income statement	-	-	-	633	-	633
Loss after taxation for the financial period	-	-	-	-	(31,239)	(31,239)
Total recognised income and expense for the financial period	-	(162)	-	633	(31,239)	(30,768)
Issuance of ordinary shares:-						
- pursuant to ESOS	415	431	-	-	-	846
- pursuant to bonus issue	4,490	-	-	-	(4,490)	-
Share options granted under ESOS	-	-	48	-	-	48
Transfer from other reserve to share premium	-	359	(359)	-	-	-
At 31 December 2010	<u>22,739</u>	<u>746</u>	<u>214</u>	<u>791</u>	<u>(6,473)</u>	<u>18,017</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2010 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 30 June 2011**

	<b>6 MONTHS ENDED UNAUDITED CURRENT YEAR TO DATE ENDED 30-Jun-2011 RM'000</b>	<b>18 MONTHS ENDED AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED AT 31-Dec-2010 RM'000</b>
<b>Cash flows from/(for) operating activities</b>		
Profit/(loss) before tax	2,257	(31,192)
Adjustment for non-cash items	2,386	22,339
Operating profit/(loss) before working capital changes	4,643	(8,853)
Changes in working capital:		
Net change in current assets	(4,521)	8,177
Net change in current liabilities	(732)	3,327
<b>Cash flows from/(used in) operations</b>	(610)	2,651
Tax paid	1	4
Interest paid	(445)	(1,375)
<b>Net cash from/(used in) operating activities</b>	(1,054)	1,280
<b>Cash flows for investing activities</b>		
Proceeds from disposal of equipment	4	955
Purchase of property, plant and equipment	-	(51)
Intangible assets/Development costs incurred	(696)	(3,903)
Interest received	18	193
<b>Net cash used in investing activities</b>	(674)	(2,806)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	999	846
Bonus issue expenses	-	(161)
Net drawdown/(repayment) of term loans	(1,307)	3,510
Net (repayment)/drawdown of revolving credits	(828)	(298)
Listing expenses	-	(629)
Grant received	550	600
<b>Net cash (used in)/from financing activities</b>	(586)	3,868
<b>Net increase/(decrease) in cash and cash equivalents</b>	(2,314)	2,342
Foreign reserve	240	7
Cash and cash equivalents at beginning of the financial period	2,250	(99)
<b>Cash and cash equivalents at end of the financial period</b>	176	2,250
<b><u>Cash and cash equivalents at the end of the financial period comprises the following :-</u></b>		
Fixed deposits with licensed banks	3,751	4,377
Cash and bank balances	702	2,162
Bank overdraft	(4,277)	(4,289)
	176	2,250

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.