



DSC SOLUTIONS BERHAD (721605-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 JUNE 2011

| | UNAUDITED INDIVIDUAL QUARTER | | UNAUDITED CUMULATIVE QUARTER | |
|---|---|--|--|---|
| | 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 | PRECEDING CORRESPONDING YEAR TO DATE ENDED 30-Jun-2010 RM'000 |
| Revenue | 3,181 | 3,788 | 10,765 | 9,368 |
| Cost of sales | (2,305) | (3,005) | (8,058) | (6,609) |
| Gross profit | 876 | 783 | 2,707 | 2,759 |
| Other income | 35 | 453 | 94 | 1,285 |
| Selling and distribution expenses | (114) | (148) | (352) | (409) |
| Administrative expenses | (1,194) | (1,138) | (3,716) | (3,103) |
| Other operating expenses | (2,152) | - | (2,152) | - |
| Profit / (Loss) from operations | (2,549) | (50) | (3,419) | 532 |
| Finance expenses | (30) | (55) | (93) | (123) |
| Profit / (Loss) before taxation | (2,579) | (105) | (3,512) | 409 |
| Taxation | - | - | 14 | (8) |
| Profit / (Loss) after taxation | (2,579) | (105) | (3,498) | 401 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income / (loss) | (2,579) | (105) | (3,498) | 401 |
| Profit / (Loss) attributable to : | | | | |
| Equity holders of the company | (2,562) | (105) | (3,443) | 401 |
| Minority shareholders | (17) | - | (55) | - |
| | (2,579) | (105) | (3,498) | 401 |
| Basic earnings / (loss) per share (sen) | (2.46) | (0.10) | (3.31) | 0.47 |

Note:-

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



DSC SOLUTIONS BERHAD (721605-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE THIRD (3RD) QUARTER ENDED 30 JUNE 2011

| | UNAUDITED AS AT END OF CURRENT QUARTER 30-Jun-2011 RM'000 | AS AT PRECEDING FINANCIAL YEAR ENDED 30-Sep-2010 RM'000 |
|---|--|--|
| ASSETS | | |
| Non-current Assets | | |
| Property, plant and equipment | 548 | 508 |
| Development costs | 817 | 1,072 |
| Goodwill | 913 | 913 |
| Intangible assets | 4,905 | 4,777 |
| | <u>7,183</u> | <u>7,270</u> |
| Current Assets | | |
| Inventories | 3,773 | 1,641 |
| Trade receivables | 1,933 | 5,210 |
| Other receivables, deposits and prepayments | 239 | 261 |
| Tax recoverable | 119 | 97 |
| Fixed deposit with licensed banks | 669 | 843 |
| Cash and bank balances | 679 | 2,102 |
| | <u>7,412</u> | <u>10,154</u> |
| | <u>14,595</u> | <u>17,424</u> |
| TOTAL ASSETS | <u>14,595</u> | <u>17,424</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share Capital | 10,400 | 10,400 |
| Foreign exchange fluctuation reserve | 79 | (225) |
| Retained Profits | 265 | 3,708 |
| Shareholders' funds | 10,744 | 13,883 |
| Minority interests | 23 | 78 |
| Total Equity | <u>10,767</u> | <u>13,961</u> |
| Non-current and deferred liabilities | | |
| Hire purchase | 6 | 14 |
| Long term borrowings | 274 | 444 |
| Deferred taxation | 67 | 66 |
| | <u>347</u> | <u>524</u> |
| Current Liabilities | | |
| Trade payables | 1,166 | 1,462 |
| Other payables and accruals | 485 | 458 |
| Factoring payable | - | - |
| Taxation | - | 4 |
| Hire purchase | 11 | 15 |
| Term loan | 849 | 240 |
| Short term borrowings | 970 | 760 |
| | <u>3,481</u> | <u>2,939</u> |
| Total Liabilities | <u>3,828</u> | <u>3,463</u> |
| TOTAL EQUITY AND LIABILITIES | <u>14,595</u> | <u>17,424</u> |
| Net assets per share (RM) | <u>0.10</u> | <u>0.13</u> |

Note:-

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



DSC SOLUTIONS BERHAD (721605-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED 30 JUNE 2011

| | <-----> | Non-Distributable | -----> | | | | |
|---|-------------------------|-------------------------|---|---|---------------------------------|---------------------------------|---------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Foreign Exchange Fluctuation Reserve RM'000 | Distributable Retained Profits RM'000 | Shareholders' Fund RM'000 | Minority Interests RM'000 | Total Equity RM'000 |
| At 1 October 2009 | * | - | - | 5,251 | 5,251 | - | 5,251 |
| Public issue on 9 December 2009 | 5,200 | 5,031 | - | - | 10,231 | - | 10,231 |
| Amount capitalised for Bonus Issue ** | 5,200 | (5,031) | - | (169) | - | - | - |
| Listing expenses | - | - | - | (1,503) | (1,503) | - | (1,503) |
| Minority investment in shares of subsidiary | - | - | - | - | - | 104 | 104 |
| Net profit/(loss) for the financial year | - | - | - | 129 | 129 | (26) | 103 |
| Foreign exchange fluctuation reserve | - | - | (225) | - | (225) | - | (225) |
| At 30 September 2010 (Audited) | <u>10,400</u> | <u>-</u> | <u>(225)</u> | <u>3,708</u> | <u>13,883</u> | <u>78</u> | <u>13,961</u> |
| At 1 October 2010 | 10,400 | - | (225) | 3,708 | 13,883 | 78 | 13,961 |
| Net loss for the financial period | - | - | - | (3,443) | (3,443) | (55) | (3,498) |
| Foreign exchange fluctuation reserve | - | - | 304 | - | 304 | - | 304 |
| At 30 June 2011 (Unaudited) | <u>10,400</u> | <u>-</u> | <u>79</u> | <u>265</u> | <u>10,744</u> | <u>23</u> | <u>10,767</u> |

Note:-

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.

* Represents RM2.

** Bonus issue was issued on the basis one (1) share for every one (1) share held after the public issue, as set out in the Prospectus dated 19 November 2009



DSC SOLUTIONS BERHAD (721605-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD (3RD) QUARTER ENDED 30 JUNE 2011

| | UNAUDITED CURRENT YEAR TO DATE ENDED 30-Jun-2011 RM'000 | AS AT PRECEDING FINANCIAL YEAR ENDED AT 30-Sep-2010 RM'000 |
|---|--|---|
| Cash flows from operating activities | | |
| Profit/(Loss) before tax | (3,512) | 8 |
| Adjustments for: | | |
| Allowance for doubtful debts | - | 15 |
| Allowance for doubtful debts no longer required | - | (39) |
| Allowance for slow moving inventories | - | 25 |
| Allowance for slow moving inventories no longer required | - | (2) |
| Amortisation of development costs | 565 | 812 |
| Amortisation of intangible asset | 101 | 33 |
| Bad debt written off | 2,152 | 40 |
| Depreciation of property, plant and equipment | 176 | 484 |
| Negative goodwill | - | (705) |
| Interest income | (2) | (11) |
| Interest expenses | 72 | 122 |
| Property, plant and equipment written off | 2 | - |
| Unrealised gain on foreign exchange translation | (50) | |
| Unrealised loss on foreign exchange translation | 51 | 16 |
| | <hr/> | <hr/> |
| Operating profit / (loss) before working capital changes | (445) | 798 |
| Changes in working capital: | | |
| (Increase) / Decrease in inventories | (2,087) | 462 |
| Decrease in receivables | 1,311 | 4,296 |
| Decrease in payables | (387) | (5,694) |
| | <hr/> | <hr/> |
| Cash flows used in operations | (1,608) | (138) |
| Tax paid | (11) | (60) |
| Interest received | 2 | 11 |
| Interest paid | (72) | (122) |
| Net cash used in operating activities | <hr/> (1,689) | <hr/> (309) |
| Cash flows for investing activities | | |
| Purchase of property, plant and equipment | (205) | (383) |
| Proceeds from disposal of plant and equipment | - | 4 |
| Net of cash acquired in subsidiaries | - | (806) |
| Intangible assets/Development costs incurred | (310) | (1,100) |
| Net cash used in investing activities | <hr/> (515) | <hr/> (2,285) |
| Cash flows from financing activities | | |
| Proceeds from issuance of shares | - | 6,289 |
| Payment of listing expenses | - | (745) |
| Drawdown of term loan | 580 | - |
| Repayment of term loan | (443) | (201) |
| Repayment of hire purchases | (13) | (2) |
| Net cash (used in) / generated from investing activities | <hr/> 124 | <hr/> 5,341 |
| Net (decrease) / increase in cash and cash equivalents | <hr/> (2,080) | <hr/> 2,747 |
| Foreign exchange fluctuation reserve | 63 | (24) |
| Cash and cash equivalents at beginning of the financial period | 2,737 | 13 |
| Cash and cash equivalents at end of the financial period | <hr/> 720 | <hr/> 2,736 |
| <u>Cash and cash equivalents at the end of the financial period comprises the following :-</u> | | |
| Fixed deposits with licensed banks (pledged) | 669 | 843 |
| Cash and bank balances | 679 | 2,102 |
| Bank overdraft | (628) | (209) |
| | <hr/> 720 | <hr/> 2,736 |

Note:-

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.