

**SMARTAG SOLUTIONS BERHAD (639421-X)**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2012**

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current year quarter 30 Sep 2012 RM'000	Preceding year corresponding quarter 30 Sep 2011 RM'000	Current year to date 30 Sep 2012 RM'000	(Audited) Preceding year corresponding period 30 Sep 2011 RM'000
<b>Revenue</b>	15	196	1,341	5,898
Cost of Sales	(207)	(18)	(351)	(3,481)
Gross Profit/(Loss)	(192)	178	990	2,417
Other operating income	74	141	468	286
Selling and distribution expenses	(130)	(186)	(640)	(351)
Administrative expenses	(1,104)	(1,040)	(3,517)	(4,025)
Other expenses	-	-	-	-
Operating Profit/(Loss)	(1,352)	(907)	(2,699)	(1,673)
Finance cost	-	-	-	(24)
Share of Result of A Jointly Controlled Entity	^	(1)	3	(2)
<b>Profit/ (Loss) Before Taxation</b>	(1,352)	(908)	(2,696)	(1,699)
Taxation	^	^	^	-
<b>Net Profit / (Loss) After Taxation</b>	(1,352)	(908)	(2,696)	(1,699)
Other comprehensive income/(loss), net of tax				
- Foreign currency translation on foreign entity	18	(3)	18	22
<b>Total comprehensive income /(loss)</b>	<u>(1,334)</u>	<u>(911)</u>	<u>(2,678)</u>	<u>(1,677)</u>
<b>Net profit attributable to :</b>				
- Owners of the Company	(1,352)	(907)	(2,692)	(1,693)
- Non-controlling interests	^	(1)	(4)	(6)
<b>Net Profit/(Loss)</b>	<u>(1,352)</u>	<u>(908)</u>	<u>(2,696)</u>	<u>(1,699)</u>
<b>Total comprehensive income/(loss) attributable to :</b>				
- Owners of the Company	(1,334)	(910)	(2,674)	(1,671)
- Non-controlling interests	^	(1)	(4)	(6)
<b>Total comprehensive income/ (loss)</b>	<u>(1,334)</u>	<u>(911)</u>	<u>(2,678)</u>	<u>(1,677)</u>
Weighted average no. of ordinary shares in issue ('000)	227,000	227,000	227,000	195,923
<b>Basic earnings/ (loss) per ordinary share (sen):</b>				
Basic earnings/ (loss) per share (sen)	(0.60)	(0.40)	(1.19)	(0.86)
Diluted earnings/ (loss) per share (sen)	(0.60)	(0.40)	(1.19)	(0.86)

**SMARTAG SOLUTIONS BERHAD (639421-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2012 (CON'T)**

Notes :

^ Less than RM1,000

- (i) Basic EPS/ (LPS) for the quarter and financial period is calculated based on the net profit/(loss) divided by the weighted average number of ordinary shares for the quarter and year-to-date respectively.
- (ii) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 September 2011 and the accompanying notes attached to this interim financial report.
- (iii) The loss before taxation is arrived at after charging/ (crediting) the following items:-

	<b>Current year quarter 30 Sep 2012 RM'000</b>	<b>Current year to date 30 Sep 2012 RM'000</b>
(a) Interest income	(74)	(391)
(b) Other income including investment income	^	(77)
(c) Interest expenses	-	-
(d) Depreciation and amortisation	486	925
(e) Provision for and write off of receivables	-	-
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investment or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange (gain)/ loss	28	26
(j) (Gain)/loss on derivatives	-	-
(k) Exceptional items	-	-

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2012

	(Unaudited) As at 30 September 2012 RM'000	(Audited) As at 30 September 2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,656	14,298
Investment in subsidiary companies	-	-
Investment in a jointly controlled entity	5,004	5,000
Goodwill on consolidation	-	-
Intangible Assets	7,523	4,940
	<u>32,183</u>	<u>24,238</u>
<b>Current assets</b>		
Inventories	239	45
Trade Receivables	206	110
Other receivables, deposits and prepayment	269	256
Tax recoverable	^	1
Fixed deposits placed with licensed banks	8,042	12,971
Cash and bank balances	679	6,680
	<u>9,435</u>	<u>20,063</u>
<b>Total Assets</b>	<b><u>41,618</u></b>	<b><u>44,301</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share capital	22,700	22,700
Retained profits	7,278	9,970
Reserves	11,304	11,286
Shareholders' funds	41,282	43,956
Non-controlling interests	(23)	(19)
<b>Total Equity</b>	<b><u>41,259</u></b>	<b><u>43,937</u></b>
<b>Current liabilities</b>		
Trade Payables	40	40
Other payables and accruals	319	324
Tax payable	-	-
<b>Total liabilities</b>	<b><u>359</u></b>	<b><u>364</u></b>
<b>Total equity and liabilities</b>	<b><u>41,618</u></b>	<b><u>44,301</u></b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.18</u>	<u>0.19</u>

**SMARTAG SOLUTIONS BERHAD (639421-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2012 (CON'T)**

Notes :

^ Less than RM1,000.

- (i) The net asset per share for the quarter and financial period is calculated based on the net asset as at 30 September 2012 divided by the number of outstanding ordinary shares as at 30 September 2012.
- (ii) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 September 2011 and the accompanying notes attached to this interim financial report.

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2012

	Current year to date 30 September 2012 RM'000	(Audited) Preceding year corresponding period 30 September 2011 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Taxation	(2,696)	(1,699)
Adjustments for Non-cash items	530	2
Operating profit/(loss) before working capital changes	(2,166)	(1,697)
Changes in working capital		
Net change in inventories	(194)	21
Net change in trade and other receivables	(108)	11,287
Net change in trade and other payables	(5)	(285)
Net cash from operations	(2,473)	9,326
Tax paid	^	(1)
Net cash flow from operating activities	(2,473)	9,325
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	391	272
Product development costs incurred	(1,403)	(708)
Purchase of plant and equipment	(7,463)	(7,156)
Net cash flow from investing activities	(8,475)	(7,592)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares, net	-	16,958
Interest paid	-	(24)
Net cash flow from financing activities	-	16,934
Net Change in Cash and Cash Equivalents	(10,948)	18,667
Effects of Foreign Exchange Translation	18	23
Cash and Cash Equivalents at beginning of the period	19,651	961
Cash and Cash Equivalents at end of the period	8,721	19,651
Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	679	6,680
Fixed deposits placed with licensed banks	8,042	12,971
	8,721	19,651

**SMARTAG SOLUTIONS BERHAD (639421-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 30 September 2012 (CON'T)**

Note :

^ Less than RM1,000

- (i) The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 September 2011 and the accompanying notes attached to this interim financial report.

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2012

	-----Attributable to owners of the Company-----				Shareholders' Fund RM'000	Non- controlling interests RM'000	Total equity RM'000
	-----Non-distributable-----		Foreign Exchange Fluctuation Reserve RM'000	Distributable Retained Profits RM'000			
	Share Capital RM'000	Share Premium RM'000					
Balance as at 1 October 2011	22,700	11,258	28	9,970	43,956	(19)	43,937
Total comprehensive income	-	-	18	(2,692)	(2,674)	(4)	(2,678)
Transaction with owners	-	-	-	-	-	-	-
Balance as at 30 September 2012	22,700	11,258	46	7,278	41,282	(23)	41,259
<b>As at preceding year corresponding quarter 30 September 2011</b>							
Balance as at 1 October 2010	17,000	-	6	11,573	28,579	-	28,579
Total comprehensive income	-	-	22	(1,693)	(1,671)	(6)	(1,677)
Transactions with Owners:							
Deemed Disposal stake of a subsidiary	-	-	-	90	90	(13)	77
Issue of share capital	5,700	11,970	-	-	17,670	-	17,670
Share issue expenses	-	(712)	-	-	(712)	-	(712)
Total Transactions with owners	5,700	11,258	-	90	17,048	(13)	17,035
Balance as at 30 September 2011 (Audited)	22,700	11,258	28	9,970	43,956	(19)	43,937

**SMARTAG SOLUTIONS BERHAD (639421-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2012**

Note :

- (i) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 September 2011 and the accompanying notes attached to this interim financial report.