

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2012

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current year quarter 31 Dec 2012 RM'000	(Restated) Preceding year corresponding quarter 31 Dec 2011 RM'000	Current year to date 31 Dec 2012 RM'000	(Restated) Preceding year corresponding period 31 Dec 2011 RM'000
Revenue	75	678	75	678
Cost of Sales	(640)	(21)	(640)	(21)
Gross Profit/(Loss)	(565)	657	(565)	657
Other operating income	65	121	65	121
Selling and distribution expenses	(114)	(147)	(114)	(147)
Administrative expenses	(1,098)	(701)	(1,098)	(701)
Other expenses	-	-	-	-
Operating Profit/(Loss)	(1,712)	(70)	(1,712)	(70)
Finance cost	-	-	-	-
Share of Result of A Jointly Controlled Entity	^	^	^	^
Profit/ (Loss) Before Taxation	(1,712)	(70)	(1,712)	(70)
Taxation	^	^	^	^
Net Profit / (Loss) After Taxation	(1,712)	(70)	(1,712)	(70)
Other comprehensive income/(loss), net of tax				
- Foreign currency translation on foreign entity	1	2	1	2
Total comprehensive income /(loss)	(1,711)	(68)	(1,711)	(68)
Net profit/(loss) attributable to :				
- Owners of the Company	(1,709)	(67)	(1,709)	(67)
- Non-controlling interests	(3)	(3)	(3)	(3)
Net Profit/(Loss)	(1,712)	(70)	(1,712)	(70)
Total comprehensive income/(loss) attributable to :				
- Owners of the Company	(1,708)	(65)	(1,708)	(65)
- Non-controlling interests	(3)	(3)	(3)	(3)
Total comprehensive income/ (loss)	(1,711)	(68)	(1,711)	(68)
Weighted average no. of ordinary shares in issue ('000)	227,000	227,000	227,000	227,000
Basic earnings/ (loss) per ordinary share (sen):				
Basic earnings/ (loss) per share (sen)	(0.75)	(0.03)	(0.75)	(0.03)
Diluted earnings/ (loss) per share (sen)	(0.75)	(0.03)	(0.75)	(0.03)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2012 (CON'T)

Notes :

^ Less than RM1,000

- (i) Basic earnings/ (loss) per share 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 2012 and the accompanying notes attached to this interim financial report.
- (iii) The loss before taxation is arrived at after charging/ (crediting) the following items:-

	Current year quarter 31 Dec 2012 RM'000	Current year to date 31 Dec 2012 RM'000
(a) Interest income	(65)	(65)
(b) Other income including investment income	^	^
(c) Interest expenses	-	-
(d) Depreciation and amortisation	913	913
(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	2	2
(j) (Gain)/loss on derivatives	-	-
(k) Exceptional items	-	-

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	(Unaudited) As at 31 December 2012 RM'000	(Audited) As at 30 September 2012 RM'000	(Unaudited) As at 1 October 2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	20,504	21,091	14,298
Investment in subsidiary companies	-	-	-
Investment in a jointly controlled entity	5,002	5,002	5,000
Goodwill on consolidation	-	-	-
Intangible Assets	6,171	6,088	4,940
	<u>31,677</u>	<u>32,181</u>	<u>24,238</u>
Current assets			
Inventories	256	239	45
Trade Receivables	88	206	110
Other receivables, deposits and prepayment	277	269	256
Tax recoverable	^	^	1
Fixed deposits placed with licensed banks	6,853	8,042	12,971
Cash and bank balances	838	679	6,680
	<u>8,312</u>	<u>9,435</u>	<u>20,063</u>
Total Assets	<u>39,989</u>	<u>41,616</u>	<u>44,301</u>
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders of the Company			
Share capital	22,700	22,700	22,700
Retained profits	5,567	7,276	9,970
Reserves	11,305	11,304	11,286
Shareholders' funds	39,572	41,280	43,956
Non-controlling interests	(26)	(23)	(19)
Total Equity	<u>39,546</u>	<u>41,257</u>	<u>43,937</u>
Current liabilities			
Trade Payables	40	40	40
Other payables and accruals	403	319	324
Tax payable	-	-	-
Total liabilities	<u>443</u>	<u>359</u>	<u>364</u>
Total equity and liabilities	<u>39,989</u>	<u>41,616</u>	<u>44,301</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.17	0.18	0.19

SMARTAG SOLUTIONS BERHAD (639421-X)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 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 31 December 2012 divided by the number of outstanding ordinary shares as at 31 December 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 2012 and the accompanying notes attached to this interim financial report.

SMARTAG SOLUTIONS BERHAD (639421-X)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2012

	Current year to date 31 December 2012 RM'000	(Restated) Preceding year corresponding period 31 December 2011 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Taxation	(1,712)	(70)
Adjustments for Non-cash items	856	(57)
Operating profit/(loss) before working capital changes	(856)	(127)
Changes in working capital		
Net change in inventories	(17)	-
Net change in trade and other receivables	110	(66)
Net change in trade and other payables	84	(49)
Net cash from operations	(679)	(242)
Tax paid	-	-
Net cash flow from operating activities	(679)	(242)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	65	121
Product development costs incurred	(280)	(329)
Purchase of plant and equipment	(137)	(4,155)
Net cash flow from investing activities	(352)	(4,363)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-	-
Net cash flow from financing activities	-	-
Net Change in Cash and Cash Equivalents	(1,031)	(4,605)
Effects of Foreign Exchange Translation	1	2
Cash and Cash Equivalents at beginning of the period	8,721	19,651
Cash and Cash Equivalents at end of the period	7,691	15,048
Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	838	1,189
Fixed deposits placed with licensed banks	6,853	13,859
	7,691	15,048

SMARTAG SOLUTIONS BERHAD (639421-X)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 DECEMBER 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 2012 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 FIRST QUARTER ENDED 31 DECEMBER 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	46	7,276	41,280	(23)	41,257
Total comprehensive income	-	-	1	(1,709)	(1,708)	(3)	(1,711)
Transaction with owners	-	-	-	-	-	-	-
Balance as at 31 December 2012	<u>22,700</u>	<u>11,258</u>	<u>47</u>	<u>5,567</u>	<u>39,572</u>	<u>(26)</u>	<u>39,546</u>
As at preceding year corresponding quarter 31 December 2011 (Restated)							
Balance as at 1 October 2010	22,700	11,258	28	9,970	43,956	(19)	43,937
Total comprehensive income	-	-	2	(67)	(65)	(3)	(68)
Total Transactions with owners	-	-	-	-	-	-	-
Balance as at 31 December 2011	<u>22,700</u>	<u>11,258</u>	<u>30</u>	<u>9,903</u>	<u>43,891</u>	<u>(22)</u>	<u>43,869</u>

SMARTAG SOLUTIONS BERHAD (639421-X)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 DECEMBER 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 2012 and the accompanying notes attached to this interim financial report.