

IDIMENSION CONSOLIDATED BHD (*Company No. 925990-A*)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTES TO THE QUARTERLY REPORT – 31 DECEMBER 2011

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance for the Current Quarter and Financial Year-to-date

The Group recorded revenue of RM1.12 million for the current quarter and RM7.70 million for the current financial year-to-date. The revenue recorded for the current quarter and financial year-to-date under review were mainly driven by the Group's proprietary and customised software solutions.

The Group recorded a loss for the current quarter of RM1.54 million and profit for the current financial year-to-date of RM2.74 million. The loss incurred for the current quarter was mainly attributable to the recognition of listing expenses of RM1.21 million and bad debts written-off of RM0.20 million.

Performance of the respective operating business segment for the current quarter and financial year-to-date is analysed as follows:

1) Software Solutions

Total revenue contributed for the current quarter and current financial year-to-date were RM0.59 million and RM6.11 million, respectively. This segment was making a loss for the current quarter and current financial year-to-date mainly due to the apportionment of listing expenses and bad debts written-off in the current quarter, and additional resources obtained to support the on-going projects.

2) Software Systems and Maintenance

Total revenue for the current quarter was RM0.31 million. This segment was making a loss of RM0.44 million in the current quarter due to the apportionment of listing expenses in the current quarter.

Total revenue for the current financial year-to-date was RM1.35 million. This segment was making a profit of RM0.22 million for the current financial year-to-date mainly due to higher proprietary software systems maintenance performed for the Group's customers, which typically is able to command higher margins.

3) Other IT Products and Services

Total revenue for the current quarter and current financial year-to-date were RM0.22 million and RM0.23 million, respectively. This segment was making a loss for the current quarter and current financial year-to-date mainly due to the apportionment of listing expenses in the current quarter.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B2. Material Change in the Profit/Loss Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter 31 December 2011 RM'000	Preceding Quarter 30 September 2011 RM'000
Revenue	1,115	2,597
Profit/ (Loss) before taxation	(2,043)	103

The revenue recorded for the current quarter of RM1.12 million represents a decline of RM1.48 million or 57.07% as compared to the preceding quarter due to delayed in commencement of certain projects in the current quarter.

The loss for the current quarter as compared with the profit for the immediate preceding quarter was due to bad debts written-off and the recognition of listing expenses in the current quarter.

B3. Future Prospects

The Directors expect the Group's performance to remain profitable for the financial year ending 31 December 2012 and will continue to strengthen its sales pipeline in order to secure more projects as well as to identify other investment opportunities to expand its revenue stream.

B4. Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current quarter under review or in any public documents.

B5. Taxation

	Current Quarter RM'000	Current Year-to-date RM'000
Current year taxation	510	(179)
Over provision in prior year	(11)	(18)
Deferred taxation	-	(16)
	<u>499</u>	<u>(213)</u>

The tax rate for the current quarter was lower than the statutory income tax rate due to reversal of provision for taxation on the tax exempt income of a wholly-owned subsidiary of iDimension due to the extension of its pioneer status granted under the Promotion of Investments Act, 1986.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B5. Taxation (cont'd)

The effective tax rate for the current financial year-to-date under review was lower than the statutory income tax rate due to tax exempt income of a wholly-owned subsidiary of iDimension due to the extension of its pioneer status granted under the Promotion of Investments Act, 1986 and excess of net fair value acquired over cost of business combination of RM3.40 million which is not taxable.

B6. Status of Corporate Proposals

Subsequent to the listing of iDimension on the ACE Market of Bursa Securities on 11 November 2011 and as at 31 December 2011, the gross proceeds of approximately RM14.53 million from the public issue has been utilised in the following manner:-

Descriptions	Proposed	Actual	Intended time frame for utilisation upon listing	Deviations		Explanation
	Utilisation	Utilisation		RM'000	%	
	RM'000	RM'000				
Business expansion	5,000	-	Within two (2) years	5,000	100%	(1)
R&D expenditure	4,500	-	Within three (3) years	4,500	100%	(1)
Capital expenditure	2,100	-	Within two (2) years	2,100	100%	(1)
Working capital	827	-	Within three (3) years	827	100%	(1)
Estimated listing expenses	2,100	1,884	Upon completion of the listing	216	10.29%	(2)
	<u>14,527</u>	<u>1,884</u>				

Notes:-

- 1) The proceeds from the public issue will be utilised within the estimated timeframe. The Group does not expect any material deviation as at the date of this interim financial report.

The unutilised proceeds raised from the listing are placed in short-term deposits with an investment management company.

- 2) The deficit in the actual quantum of listing expenses will be adjusted against the amount allocated for working capital.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B7. Group Borrowings and Debt Securities

The Group's borrowings as at financial year ended 31 December 2011 are as follows:

	Short-term RM'000	Long-term RM'000	Total RM'000
<u>Secured</u>			
Bank overdraft	985	-	985
Hire purchase payable	100	269	369
	<u>1,085</u>	<u>269</u>	<u>1,354</u>

The Group does not have any unsecured borrowings and debt securities as at financial year ended 31 December 2011.

All borrowings of the Group are denominated in Ringgit Malaysia.

B8. Material Litigation

The Group is not engaged in any material litigation as at the date of this quarterly report.

B9. Dividend

Save as disclosed below, no dividend was declared during the financial year-to-date under review:-

On 11 November 2011, a first interim single tier dividend of 0.7 sen per share, amounting to a total of RM994,000 was declared for the financial year ended 31 December 2011. The dividend was paid on 16 December 2011 to shareholders whose names appear in the Company's record of Depositors as at 30 November 2011.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B10. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of shares in issue for the financial period, computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year to-date	Preceding Year Corresponding Period
(Loss)/Profit attributable to the owners of the Company (RM'000)	(1,544)	N/A	2,744	N/A
Weighted average number of ordinary shares in issue ('000)	125,378	N/A	94,694	N/A
Basic earnings per share (sen)	(1.23)	N/A	2.90	N/A

N/A-Not applicable

(b) Diluted earnings per share

The Company does not have any convertible securities during the current quarter and financial year-to-date under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B11. Breakdown of Realised and Unrealised Group Profits

The breakdown of retained profits of the Group for the current quarter and the preceding financial year, is as follows:-

	Financial year ended 31/12/2011 RM'000	Preceding financial year ended 31/12/2010 RM'000
Total retained profits of the Group:		
- Realised	1,913	N/A
- Unrealised	(201)	N/A
	1,712	N/A
Less : Consolidation adjustments	-	N/A
Total Group retained profits as per consolidated accounts	1,712	N/A

N/A-Not applicable

B12. Loss for the Period

This is arrived at after charging/(crediting) the following items:

	Current Quarter RM'000	Financial Year-to-date RM'000
(a) Interest income	21	79
(b) Interest expense	(18)	(48)
(c) Depreciation and amortisation	(236)	(543)
(d) Bad debts written off	(200)	(200)
(e) Development cost written off	(2)	(2)
(f) Foreign exchange loss	25	25

Other disclosure items required pursuant to Note 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

By Order of the Board

Ho Mun Yee (MAICSA 0877877)
 Tam Fong Ying (MAICSA 7007857)
 (Company Secretaries)