

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

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2012

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

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

1) Software Solutions

The software solutions segment contributed revenue of RM0.93 million for the current quarter, mainly contributed by demand for customised software solution from new customers of the Group. However, this segment incurred a loss of RM0.54 million for the current quarter, due to the purchase of third party licensing software costs.

Revenue of software solutions segment in the current financial year-to-date decreased by RM0.14 million to RM5.39 million as compared to preceding financial year-to-date of RM5.52 million, due to a decline in demand for the software solutions offered by the Group.

This business segment reported a loss of RM0.55 million for the current financial year-to-date which represents a decrease of RM2.42 million as compared to a profit of RM1.88 million in the preceding financial year-to-date. The profit margin declined for the current financial year-to-date due to the purchase of third party licensing software costs.

2) Software Systems and Maintenance

The software systems and maintenance segment contributed revenue of RM0.73 million for the current quarter, where additional software systems and maintenance enhancements, installations of software upgrades and user trainings were provided to customers. Costs incurred in this segment were mainly additional resources incurred to complete projects, resulting in a segment loss of RM0.20 million.

Revenue of the software systems and maintenance segment in the current financial year-to-date increased by RM0.96 million to RM2.00 million as compared to preceding year's corresponding financial year-to-date of RM1.04 million, due to additional enhancements, installations of software upgrades and user trainings provided to customers.

This business segment reported a loss of RM0.20 million for the current financial year-to-date which represents a decrease of RM0.56 million as compared to a profit of RM0.36 million in the preceding financial year-to-date. The profit margin declined for the current financial year-to-date due to additional resources incurred to complete projects.

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

B1. Review of Performance for the Current Quarter and Financial Year-to-date (Cont'd)

3) Other IT Products and Services

The other IT products and services segment contributed revenue of RM0.08 million for the current quarter. The revenue contribution was mainly from training services provided to customers and selling of IT hardware equipment.

Revenue of other IT products and services in the current financial year-to-date increased by RM0.43 million to RM0.45 million as compared to preceding financial year-to-date of RM0.02 million. The revenue contribution was mainly from the selling of IT hardware equipment.

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

	Current Quarter 30 September 2012 RM'000	Preceding Quarter 30 June 2012 RM'000
Revenue	1,741	3,521
Loss before taxation	(874)	(308)

The revenue recorded for the current quarter of RM1.74 million represents a decrease of RM1.78 million as compared to the preceding quarter. This was mainly due to the decline in revenue from the software solutions segment in the current quarter.

The Group recorded a higher loss before taxation of RM0.87 million in the current quarter as compared to a loss before taxation of RM0.31 million in the immediate preceding quarter. This is in line with the decline in revenue in the current quarter.

B3. Future Prospects

In line with the current global slowdown in the semiconductor industry, the Board expects the Group's performance to be challenging. Nevertheless, the Board is taking all the necessary measures to improve revenue contribution from other industries.

B4. Profit Forecast and Profit Guarantee

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

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

B5. Taxation

	Current Quarter RM'000	Current Year-to-date RM'000
Current year taxation	-	10
Under provision in prior year	<u>70</u>	<u>118</u>
	<u>70</u>	<u>128</u>

There is no current taxation for this quarter due to no chargeable income. The taxation for the current financial year-to-date was due to interest income.

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of issuance of this announcement.

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

B7. Status of Utilisation of Proceeds

Subsequent to the listing of iDimension on the ACE Market of Bursa Securities on 11 November 2011 and as at 30 September 2012, 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	164	Within three (3) years	4,336	96.36%	(1)
Capital expenditure	2,100	2,100	Within two (2) years	-	0%	-
Working capital	827	548	Within three (3) years	279	33.74%	(1)
Estimated listing expenses	2,100	1,884	Upon completion of the listing	216	10.29%	(2)
	<u>14,527</u>	<u>4,696</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 shortfall 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

B8. Group Borrowings and Debt Securities

The Group's borrowings as at the financial period ended 30 September 2012 are as follows:

	Short-term RM'000	Long-term RM'000	Total RM'000
<u>Secured</u>			
Bank overdraft	978	-	978
Term loan	720	949	1,669
Hire purchase payable	100	194	294
	<u>1,798</u>	<u>1,143</u>	<u>2,941</u>

The Group does not have any unsecured borrowings and debt securities as at the financial period ended 30 September 2012.

All borrowings of the Group are denominated in Ringgit Malaysia.

B9. Material Litigation

The Group is not engaged in any material litigation since the date of the last annual statement of financial position up to the date of issuance of this quarterly report.

B10. Dividend

There were no dividends declared during the 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. 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)	(944)	78	(1,176)	4,289
Weighted average number of ordinary shares in issue ('000)	236,667	103,770	221,810	83,973
Basic earnings per share (sen)	(0.40)	0.08	(0.53)	5.11

(b) Diluted earnings per share

The basic and diluted earnings of the Company are the same as the Company does not have any convertible securities during the current quarter and financial year-to-date under review.

B12. Breakdown of Realised and Unrealised Group Profits

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

	30/09/2012 RM'000	31/12/2011 RM'000
Total retained profits of the Group:		
- Realised	1,114	11,849
- Unrealised	-	68
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Less : Consolidation adjustments	(582)	(10,209)
Total Group retained profits as per consolidated accounts	<hr/> 532	<hr/> 1,708

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

B13. Loss for the Period

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

	Current Quarter	Financial Year-to-date
	RM'000	RM'000
(a) Interest income	101	270
(b) Interest expense	(17)	(51)
(c) Depreciation and amortisation	(178)	(474)

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)

Date: 30 November 2012