

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

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2014

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

Revenue of the software solution segment in the current quarter increased by RM2.27 million to RM3.31 million as compared to preceding corresponding quarter of RM1.04 million, mainly due to increase in demand for customized software solution from new customers of the Group.

This business segment reported a profit of RM0.37 million for the current quarter as compared to a loss of RM0.16 million in the preceding corresponding quarter, due to the increase in demand for customized software solution from new customers of the Group.

2) Software Systems and Maintenance

Revenue of the software system and maintenance segment in the current quarter decreased by RM0.10 million to RM0.85 million as compared to preceding corresponding quarter of RM0.95 million, mainly due to a decrease in sales of proprietary and customized software systems to customers..

This business segment reported a profit of RM0.09 million for the current quarter as compared to a loss of RM0.15 million in the preceding corresponding quarter, mainly due to proprietary and customized software systems maintenance provided to customers and better margin.

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

Revenue of other IT products and services in the current quarter increased by RM0.292 million to RM0.295 million as compared to preceding financial year-to-date of RM0.003 million, mainly due to higher demand for other IT products and training services provided to customers.

This business segment reported a profit of RM0.034 million for the current quarter and nil profit for the preceding corresponding corresponding quarter. The profit recorded from this business segment for the current quarter was mainly due to the increase in sales 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 31 March 2014 RM'000	Preceding Quarter 31 December 2013 RM'000
Revenue	4,446	1,740
Profit before taxation	531	75

The revenue recorded for the current quarter of RM4.45 million represents an increase of RM2.71 million as compared to the immediate preceding quarter of RM1.74 million. This was mainly due to increase in revenue for the software solution segment.

The Group recorded a profit before taxation of RM0.53 million for the current quarter which represents an increase of RM0.46 million as compared to the immediate preceding quarter of RM0.08 million. This was mainly due to the share of profit from the associate company and better profit margin from the products of the Group.

B3. Future Prospects

The business environment for 2014 is expected to remain competitive and challenging. The management will put in continuous effort to actively seek new sales opportunities from its existing customers as well as potential new customers.

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 Financial Year-to-date RM'000
Current year taxation	-	-
Under/(over) provision in prior year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

There is no taxation for the current quarter and current financial year-to-date due to no chargeable income.

B6. Status of Corporate Proposals

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

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 31 March 2014, 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	5,000	Within two (2) years	-	-	(1)
R&D expenditure	4,500	3,335	Within three (3) years	1,165	25.89%	(2)
Capital expenditure	2,100	2,100	Within two (2) years	-	-	-
Working capital	827	939	Within three (3) years	(112)	(13.54)%	(2)
Estimated listing expenses	2,100	1,884	Upon completion of the listing	216	10.29%	(3)
	<u>14,527</u>	<u>13,258</u>				

Notes:-

- 1) The Company had on 24 June 2013 entered into a conditional share acquisition agreement for the acquisition of 20% of the issued and paid-up share capital of Selinsing Xpress Sdn Bhd for a total purchase consideration of RM5.00 million.
- 2) 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.

- 3) The shortfall in the actual quantum of listing expenses has been 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 31 March 2014 are as follows:

	Short-term RM'000	Long-term RM'000	Total RM'000
<u>Secured</u>			
Bank overdraft	982	-	982
Term loan	-	6,412	6,412
Hire purchase payable	72	72	144
	<u>1,054</u>	<u>6,484</u>	<u>7,538</u>

The Group does not have any unsecured borrowings and debt securities as at 31 March 2014.

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
Profit/(Loss) attributable to the owners of the Company (RM'000)	531	(433)	531	(433)
Weighted average number of ordinary shares in issue ('000)	236,667	236,667	236,667	236,667
Basic earnings per share (sen)	0.22	(0.18)	0.22	(0.18)

(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 financial year-to-date and preceding financial year, is as follows:-

	31/03/2014 RM'000	31/12/2013 RM'000
Total retained (loss)/profits of the Group:		
- Realised	(1,087)	(7,470)
- Unrealised	13	490
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	(1,074)	(7,960)
Less : Consolidation adjustments	(12)	(9,577)
Total Group retained loss as per consolidated accounts	<hr/>	<hr/>
	(1,086)	(1,617)

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

B13. Profit 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	17	17
(b) Interest expense	(17)	(17)
(c) Depreciation and amortisation	(346)	(346)
(d) Unrealised gain on foreign currenct exchange	13	13

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.