

MULTI-CODE ELECTRONICS INDUSTRIES (M) BERHAD (193094-K)

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(THE FIGURES HAVE NOT BEEN AUDITED)

| | As at 31.01.2013 Unaudited RM'000 | As at 31.07.2012 Restated* RM'000 | As at 01.08.2011 Restated* RM'000 |
|----------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 37,641 | 36,678 | 33,116 |
| Investment properties | 1,245 | 1,250 | 1,340 |
| Intangible asset | 4,698 | 4,812 | 3,534 |
| | <u>43,584</u> | <u>42,740</u> | <u>37,990</u> |
| Current Assets | | | |
| Inventories | 27,989 | 22,771 | 21,343 |
| Trade receivables | 17,888 | 23,167 | 22,016 |
| Other receivables | 749 | 788 | 1,116 |
| Cash and bank balances | 15,348 | 8,096 | 12,959 |
| | <u>61,974</u> | <u>54,822</u> | <u>57,434</u> |
| Non-current assets classified as held for sale | - | - | 1,079 |
| TOTAL ASSETS | <u>105,558</u> | <u>97,562</u> | <u>96,503</u> |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the company | | | |
| Share capital | 44,405 | 44,405 | 44,405 |
| Reserves | 27,828 | 22,632 | 14,158 |
| | <u>72,233</u> | <u>67,037</u> | <u>58,563</u> |
| Non-controlling Interests | 818 | 872 | 1,002 |
| Total Equity | <u>73,051</u> | <u>67,909</u> | <u>59,565</u> |
| Non-Current Liabilities | | | |
| Borrowings | 4,135 | 4,940 | 6,436 |
| Deferred tax liabilities | 125 | 261 | 380 |
| | <u>4,260</u> | <u>5,201</u> | <u>6,816</u> |
| Current Liabilities | | | |
| Borrowings | 1,579 | 1,526 | 1,293 |
| Trade payables | 17,938 | 13,648 | 17,386 |
| Other payables | 8,016 | 7,804 | 10,203 |
| Tax payables | 714 | 1,474 | 1,240 |
| | <u>28,247</u> | <u>24,452</u> | <u>30,122</u> |
| Total Liabilities | <u>32,507</u> | <u>29,653</u> | <u>36,938</u> |
| TOTAL EQUITY AND LIABILITIES | <u>105,558</u> | <u>97,562</u> | <u>96,503</u> |
| Net assets per stock unit attributable to ordinary equity holders of the company | <u>1.6267</u> | <u>1.5097</u> | <u>1.3188</u> |
| | - | - | - |

* Upon the adoption of the MFRS framework, the consolidated statement of financial position had been restated.

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2012.

MULTI-CODE ELECTRONICS INDUSTRIES (M) BERHAD (193094-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 JANUARY 2013**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTERS | |
|-------------------------------------------------------------------|---------------------------|--------------------|----------------------------|--------------------|
| | 3 Months Ended | | 6 Months Ended | |
| | 31-Jan-13 | 31-Jan-12 | 31-Jan-13 | 31-Jan-12 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | (Unaudited) | (Restated)* | (Unaudited) | (Restated)* |
| Revenue | 27,146 | 25,282 | 57,090 | 53,903 |
| Cost of sales | (22,354) | (19,825) | (46,429) | (41,524) |
| Gross profit | 4,792 | 5,457 | 10,661 | 12,379 |
| Other income | 3,125 | 163 | 3,338 | 262 |
| Selling and administrative expenses | (3,981) | (2,637) | (6,015) | (5,086) |
| Finance costs | (80) | (101) | (166) | (245) |
| Profit before tax | 3,856 | 2,882 | 7,818 | 7,310 |
| Taxation | (471) | (725) | (1,344) | (2,010) |
| Profit for the period | 3,385 | 2,157 | 6,474 | 5,300 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 3,385 | 2,157 | 6,474 | 5,300 |
| Profit attributable to: | | | | |
| Equity holders of the company | 3,396 | 2,176 | 6,528 | 5,357 |
| Non-controlling interests | (11) | (19) | (54) | (57) |
| | 3,385 | 2,157 | 6,474 | 5,300 |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the company | 3,396 | 2,176 | 6,528 | 5,357 |
| Non-controlling interests | (11) | (19) | (54) | (57) |
| | 3,385 | 2,157 | 6,474 | 5,300 |
| Earnings per share attributable to equity holders of the company: | | | | |
| Basic and diluted (sen) | 7.65 | 4.90 | 14.70 | 12.06 |

* Restated with adoption of MFRS.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2012.

MULTI-CODE ELECTRONICS INDUSTRIES (M) BERHAD (193094-K)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The following amounts have been charged/ (credited) in arriving at profit before tax:

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTERS | |
|-------------------------------------------------------|---------------------------|--------------------|----------------------------|--------------------|
| | 3 Months Ended | | 6 Months Ended | |
| | 31-Jan-13 | 31-Jan-12 | 31-Jan-13 | 31-Jan-12 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | (Unaudited) | (Restated)* | (Unaudited) | (Restated)* |
| Interest income | (49) | (42) | (79) | (84) |
| Interest expenses | 80 | 101 | 166 | 245 |
| Depreciation | 804 | 490 | 1,660 | 946 |
| Amortisation of intangible assets | 176 | - | 353 | - |
| Impairment of golf club membership | 1 | 1 | 1 | 1 |
| Allowance for doubtful debt no longer required | | | | |
| - Unauthorised withdrawals by former directors | (3,000) | - | (3,000) | - |
| Provision/write-back for and write-off of inventories | - | - | 496 | - |
| Gain on disposal of unquoted investment | - | (56) | - | (56) |
| Gain on disposal of plant and equipment | - | - | (19) | - |
| (Gain)/ loss on foreign exchange | | | | |
| - realised | (38) | 11 | (34) | 75 |
| - unrealised | (206) | (116) | (116) | (110) |
| Fair value gain on foreign exchange contracts | - | (4) | - | (4) |
| Plant and equipment written off | 6 | - | 6 | - |
| | <u>(2,226)</u> | <u>385</u> | <u>(566)</u> | <u>1,013</u> |

* Restated with adoption of MFRS.

Save as disclosed above and in the Condensed Consolidated Statement of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

MULTI-CODE ELECTRONICS INDUSTRIES (M) BERHAD (193094-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 JANUARY 2013
(The figures have not been audited)

| | Attributable to Equity Holders of the Company | | | | | Total RM'000 | Non-controlling Interests RM'000 | Total Equity RM'000 |
|-------------------------------------------|-----------------------------------------------|----------------------------|----------------------------------|----------------------------------------|-------------------------------|-----------------|----------------------------------------|---------------------------|
| | Share capital RM'000 | Share premium RM'000 | Revaluation reserve RM'000 | Share buy-back reserve RM'000 | Retained profits RM'000 | | | |
| At 1 Aug 2012 (restated)* | 44,405 | 654 | - | 352 | 21,626 | 67,037 | 872 | 67,909 |
| Total comprehensive income for the period | - | - | - | - | 6,528 | 6,528 | (54) | 6,474 |
| Dividend paid | - | - | - | - | (1,332) | (1,332) | - | (1,332) |
| At 31 Jan 2013 | 44,405 | 654 | - | 352 | 26,822 | 72,233 | 818 | 73,051 |
| | | | | | | | | |
| At 1 Aug 2011 (restated)* | 44,405 | 654 | - | 352 | 13,152 | 58,563 | 1,002 | 59,565 |
| Total comprehensive income for the period | - | - | - | - | 5,357 | 5,357 | (57) | 5,300 |
| Dividend paid | - | - | - | - | (1,110) | (1,110) | - | (1,110) |
| At 31 Jan 2012 (restated)* | 44,405 | 654 | - | 352 | 17,399 | 62,810 | 945 | 63,755 |

* Restated with adoption of MFRS.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2012.

MULTI-CODE ELECTRONICS INDUSTRIES (M) BERHAD (193094-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 31 JANUARY 2013
(The figures have not been audited)

| | 6 months ended | 6 months ended |
|--------------------------------------------------------------|-----------------------|-----------------------|
| | 31-Jan-13 | 31-Jan-12 |
| | RM'000 | RM'000 |
| | (Unaudited) | (Restated)* |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 7,818 | 7,310 |
| Adjustments for : | | |
| Depreciation | 1,660 | 946 |
| Amortisation of intangible assets | 353 | - |
| Impairment of golf club membership | 1 | 1 |
| Interest income | (79) | (84) |
| Interest expense | 166 | 245 |
| Short term accumulated compensated absences | (22) | 6 |
| Inventories written off | 496 | - |
| Gain on disposal of unquoted investment | - | (56) |
| Gain on disposal of plant and equipment | (19) | - |
| Plant and equipment written off | 6 | - |
| Unrealised gain on foreign exchange | (116) | (110) |
| Fair value gain on foreign exchange contracts | - | (4) |
| Allowance for doubtful debt no longer required | | |
| - unauthorised withdrawals by former directors | (3,000) | - |
| | 7,264 | 8,254 |
| Operating profit before working capital changes | 7,264 | 8,254 |
| Receivables | 8,318 | 3,495 |
| Inventories | (5,714) | (1,650) |
| Payables | 4,640 | (4,089) |
| | 14,508 | 6,010 |
| Cash generated from operations | 14,508 | 6,010 |
| Tax paid | (2,242) | (1,288) |
| Interest paid | (166) | (245) |
| | 12,100 | 4,477 |
| Net cash from operating activities | 12,100 | 4,477 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 79 | 84 |
| Dividend received from associate company | - | 1,000 |
| Purchase of property, plant and equipment | (2,628) | (4,309) |
| Proceeds from disposal of unquoted investment | - | 135 |
| Proceeds from disposal of plant and equipment | 23 | - |
| Increase in intangible assets | (239) | (390) |
| | (2,765) | (3,480) |
| Net cash used in investing activities | (2,765) | (3,480) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of borrowings | (751) | (532) |
| Dividend paid | (1,332) | (1,110) |
| | (2,083) | (1,642) |
| Net cash from used in financing activities | (2,083) | (1,642) |
| NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS | 7,252 | (645) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 8,096 | 12,959 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 15,348 | 12,314 |

* Restated with adoption of MFRS.

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 July 2012.