

D'NONCE TECHNOLOGY BHD.
(503292-K)

The Board wishes to announce the following unaudited results of the Group for the second financial quarter ended 29 Feb 2012.

Unaudited Condensed Consolidated Statement of Financial Position As At 29 Feb 2012

	<i>Note</i>	As At 29/02/2012 RM'000	As At 31/08/2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	<i>10</i>	38,645	36,497
Investment properties		7,077	7,176
Other investments		34	34
Intangible assets		289	289
Long term trade receivable		2,360	2,360
Deferred tax assets		737	738
		<u>49,142</u>	<u>47,094</u>
Currents assets			
Inventories		15,865	14,602
Trade receivables		24,150	31,803
Other receivables, deposit and prepayment		9,160	8,454
Tax recoverable		587	397
Derivatives		53	80
Cash and bank balances		10,524	10,068
		<u>60,339</u>	<u>65,404</u>
TOTAL ASSETS		<u>109,481</u>	<u>112,498</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		45,101	45,101
Share premium		12,310	12,310
Other capital reserve		5,120	5,120
Foreign currency translation reserve		235	241
Legal reserve		32	32
ESOS reserve		128	128
Accumulated loss		(23,870)	(13,140)
		<u>39,056</u>	<u>49,792</u>
Non-controlling interest		6,912	10,237
Total equity		<u>45,968</u>	<u>60,029</u>
Non-current liabilities			
Retirement Benefit Obligations		3,417	3,243
Borrowings	<i>21</i>	14,067	6,665
Deferred tax liabilities		113	97
		<u>17,597</u>	<u>10,005</u>
Current liabilities			
Borrowings	<i>21</i>	20,536	18,137
Trade payables		15,933	15,798
Other payables		9,302	7,904
Current tax payable		145	625
		<u>45,916</u>	<u>42,464</u>
Total liabilities		<u>63,513</u>	<u>52,469</u>
TOTAL EQUITY AND LIABILITIES		<u>109,481</u>	<u>112,498</u>
		-	-
Net assets per share (RM)		<u>0.87</u>	<u>1.10</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2011.)

Unaudited Condensed Consolidated Statement of Comprehensive Income For The Quarter Ended 29 Feb 2012

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	29/02/2012	28/02/2011	29/02/2012	28/02/2011
<i>Note</i>	RM'000	RM'000	RM'000	RM'000
Revenue	35,536	41,800	76,314	80,167
Operating expenses	(38,966)	(39,850)	(79,245)	(76,164)
Other income including investment income	171	1,616	351	1,735
(Loss)/Profit from operations	(3,259)	3,566	(2,580)	5,738
Depreciation	(871)	(1,119)	(1,994)	(2,248)
Fair value changes in derivatives	(68)	-	(27)	-
Foreign exchange gain/(loss)	204	(257)	(92)	(28)
Gain or loss on disposal of quoted or unquoted investment or properties	-	-	-	-
Impairment of assets	-	-	-	-
Interest expense	(451)	(369)	(840)	(697)
Interest income	79	73	161	152
Property, plant and equipment written off	(136)	(1)	(6,413)	(2)
Provision for and written off of inventories	(595)	(5)	(1,200)	(4)
Provision for and written off of receivables	-	-	-	-
Staff compensation	(778)	(12)	(778)	(12)
Exceptional items	-	-	-	-
(Loss)/Profit before taxation	(5,875)	1,876	(13,763)	2,899
Taxation	<i>19</i> (29)	(650)	(293)	(1,113)
(Loss)/Profit for the period	<u>(5,904)</u>	<u>1,226</u>	<u>(14,056)</u>	<u>1,786</u>
(Loss)/Profit attributable to :				
Owner of the parent	(4,617)	1,041	(10,730)	1,539
Non-controlling interest	(1,287)	185	(3,326)	247
	<u>(5,904)</u>	<u>1,226</u>	<u>(14,056)</u>	<u>1,786</u>
(Loss)/Earnings per share (sen) :-	<i>26</i>			
(a) Basic	(10.24)	2.31	(23.79)	3.41
(b) Fully Diluted	<u>(10.24)</u>	<u>2.31</u>	<u>(23.79)</u>	<u>3.41</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2011.)

D'NONCE TECHNOLOGY BHD.
(503292-K)

Unaudited Condensed Consolidated Statement of Comprehensive Income For The Quarter Ended 29 Feb 2012

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	29/02/2012	28/02/2011	29/02/2012	28/02/2011
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(5,904)	1,226	(14,056)	1,786
Foreign currency transaction differences for foreign operations	(411)	(929)	(6)	(148)
Total comprehensive income for the period	<u>(6,315)</u>	<u>297</u>	<u>(14,062)</u>	<u>1,638</u>
Total comprehensive income attributable to:				
Owner of the parent	(5,028)	112	(10,736)	1,391
Non-controlling interest	(1,287)	185	(3,326)	247
	<u>(6,315)</u>	<u>297</u>	<u>(14,062)</u>	<u>1,638</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2011.)

Unaudited Condensed Consolidated Statements of Changes in Equity For The Quarter Ended 29 Feb 2012

	Attributable to owners of the parent		Non-distributable					Non-controlling Interest		Total Equity
	Share Capital	Share Premium	Other Capital Reserve	Foreign Currency Translation Reserve	Legal Reserve	ESOS Reserve	Accumulated Loss	Total	Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 September 2011	45,101	12,310	5,120	241	32	128	(13,140)	49,792	10,237	60,029
Currency translation differences, representing net gain not recognised in income statement	-	-	-	-	-	-	-	-	1	1
Total comprehensive income for the period	-	-	-	(6)	-	-	(10,730)	(10,736)	(3,326)	(14,062)
At 29 February 2012	45,101	12,310	5,120	235	32	128	(23,870)	39,056	6,912	45,968
At 1 September 2010	45,101	12,310	5,120	429	32	135	(17,828)	45,299	9,690	54,989
Currency translation differences, representing net gain not recognised in income statement	-	-	-	-	-	-	-	-	(50)	(50)
Effect arising from modification of the term of the ESOS	-	-	-	-	-	(4)	4	-	-	-
Total comprehensive income for the period	-	-	-	(148)	-	-	1,539	1,391	247	1,638
At 28 February 2011	45,101	12,310	5,120	281	32	131	(16,285)	46,690	9,887	56,577

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 29 Feb 2012

	6 months ended	
	29/02/2012	28/02/2011
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(13,763)	2,899
Adjustments for non-cash flow:-		
Depreciation	1,994	2,248
Interest expense	840	697
Inventories written off	1,200	(4)
Property, plant and equipment written off	6,414	2
Gain on disposal of property, plant and equipment	(253)	(25)
Net fair value changes in derivatives	27	-
Interest income	(161)	(152)
Non-operating items	494	517
Operating (Loss)/Profit before working capital changes	<u>(3,208)</u>	<u>6,182</u>
Decrease in receivables	5,425	3,388
(Increase)/Decrease in inventories	(2,590)	2,699
Increase/(Decrease) in payables	2,867	(6,845)
Cash generated from operations	<u>2,494</u>	<u>5,424</u>
Tax (paid)/refund	(946)	223
Interest paid	(840)	(697)
Net cash generated from operating activities	<u>708</u>	<u>4,950</u>
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	(10,420)	(2,896)
Proceed from disposal of property, plant and equipment	338	39
Interest income	161	152
Net cash used in investing activities	<u>(9,921)</u>	<u>(2,705)</u>
Cash Flows From Financing Activities		
Drawdown of short term borrowings	2,094	(277)
Repayment of hire purchase and lease financing	(711)	(665)
Drawdown of term loans	6,543	203
Net cash generated from/(used in) financing activities	<u>7,926</u>	<u>(739)</u>
Net (decrease)/increase in cash and cash equivalents	(1,287)	1,506
Effect of exchange rate changes	3	(82)
Cash and cash equivalents at beginning of the period	<u>3,915</u>	<u>7,453</u>
Cash and cash equivalents at end of the period	<u>2,631</u>	<u>8,877</u>
Cash and cash equivalents comprise:		
Deposit with licensed banks	4,298	5,122
Cash and bank balances	6,226	7,421
Bank overdraft - secured	(7,893)	(3,666)
	<u>2,631</u>	<u>8,877</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2011.)