

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Income Statement (Unaudited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year-To-Date
	30/9/2011 RM'000	RM'000	30/9/2011 RM'000	RM'000
Revenue	5,183	n/a	5,183	n/a
Cost of goods sold	(4,163)		(4,163)	
Gross profit	1,020		1,020	
Administrative expenses	(1,332)		(1,332)	
Other operating expenses	(4)	n/a	(4)	n/a
Other operating income	300		300	
Operating profit	(16)	n/a	(16)	n/a
Finance cost	(31)		(31)	
Profit/(Loss) before tax	(47)	n/a	(47)	n/a
Taxation	-		-	
Profit/(Loss) for the period	(47)	n/a	(47)	n/a
Profit/(Loss) after tax attributable to:				
- Equity holders of the Company	(6)	n/a	(6)	n/a
- Non-Controlling Interest	(41)		(41)	
	(47)	n/a	(47)	n/a
Earnings per share (sen)				
- basic	(0.01)	n/a	(0.01)	n/a
- diluted				
- anti-dilutive	-	n/a	-	n/a

The Condensed Consolidated Income Statements should be read in conjunction with the Group's audited Financial Statements as at 30 June 2011. The accompanying notes form an integral part of this income statements.

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statement of Comprehensive Income (Unaudited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year-To-Date
	30/9/2011 RM'000	RM'000	30/9/2011 RM'000	RM'000
Profit / (Loss) for the period	(47)	n/a	(47)	n/a
Other comprehensive income:				
Currency translation differences	(10)	n/a	(10)	n/a
Total comprehensive income for the period	<u>(57)</u>	<u>n/a</u>	<u>(57)</u>	<u>n/a</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(16)	n/a	(16)	n/a
Non-Controlling interest	(41)		(41)	
	<u>(57)</u>	<u>n/a</u>	<u>(57)</u>	<u>n/a</u>

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statement of Financial Position

	Unaudited As at 30/9/2011 RM'000	Audited As at 30/6/2011 RM'000
Non-Current Assets		
Property, Plant & Equipment	1,439	1,323
Current Assets		
Inventories	18,634	17,867
Trade receivables	164	353
Assets classified as held for sales	301	308
Other receivables, deposits and prepayments	943	1,469
Tax refundable	-	-
Cash & cash equivalents	837	1,007
Total Current Assets	20,879	21,004
Total Assets	22,318	22,327
Equity		
Share Capital	43,065	43,065
Reserves		
Share Premium	5,959	5,959
Exchange Fluctuation Reserve	(447)	(364)
Unappropriated profits / (loss)	(37,416)	(37,483)
Equity attributable to the shareholders of the Company	11,161	11,177
Non-Controlling Interest	(41)	-
Total Equity	11,120	11,177
Non Current Liability		
Long term Loan	397	436
Total non-current liability	397	436
Trade payables	7,023	3,124
Other creditors & accruals	588	4,780
Amount owing to director	2,096	1,789
Bank Borrowings	1,094	1,021
Total current liabilities	10,801	10,714
Total equity and liabilities	22,318	22,327
Net Assets per share (RM)	0.26	0.26

The Condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited Financial Statements as at 30 June 2011. The accompanying notes form an integral part of this balance sheet.

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statement of Changes in Equity (Unaudited)

	← Attributable to shareholders of the Company →				Non-Controlling Interest	Total	
	Share Capital	Share Premium	Exchange Fluctuation Reserve	Distributable Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1/7/2011	43,065	5,959	(437)	(37,410)	11,177	-	11,177
Profit / (Loss) for the period				(6)	(6)	(41)	(47)
Other Comprehensive Income / (Loss)			(10)		(10)		(10)
Total Comprehensive Income for the period			(10)	(6)	(16)	(41)	(57)
Transactions with owners							
Balance as at 30/9/11	43,065	5,959	(447)	(37,416)	11,161	(41)	11,120

	← Attributable to shareholders of the Company →				Non-Controlling Interest	Total	
	Share Capital	Share Premium	Exchange Fluctuation Reserve	Distributable Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1/1/2010	43,065	5,959	549	(34,462)	15,111	-	15,111
Effect from adoption of FRS 139				(2,224)	(2,224)	-	(2,224)
	43,065	5,959	549	(36,686)	12,887	-	12,887
Profit / (Loss) for the period				5,964	5,964	(396)	5,568
Other Comprehensive Income / (Loss)			(986)		(986)		(986)
Total Comprehensive Income for the period			(986)	5,964	4,978	(396)	4,582
Transactions with owners							
Disposal of a subsidiary to non-controlling interests					-	(6,292)	(6,292)
Allocation of maximum losses shared by non-controlling interest to owners of the parent				(6,688)	(6,688)	6,688	-
Balance as at 30/6/2011	43,065	5,959	(437)	(37,410)	11,177	-	11,177

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's audited Financial Statements as at 30 June 2011. The accompanying notes form an integral part of this statement.

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statement of Cash Flows (Unaudited)

	30/9/2011 RM'000	18 months ended 30/6/2011 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(47)	5,714
Adjustments for: -		
Depreciation	189	707
Loss / (Gain) on disposal of investment in subsidiary		(4,817)
Loss / (Gain) on disposal of assets held for sales		(66)
Loss / (Gain) on disposal of fixed assets		160
Unrealised on foreign exchange	(3)	119
Bad debts written off		142
Reversal on impairment loss on trade receivables		(2,961)
Fixed Asset written off	1	-
Assets held for sales written off	-	24
Interest expenses	31	1,191
Waiver of debts from former subsidiary	(300)	(2,598)
Interest income	2	(36)
Operating profit / (loss) before working capital changes	<u>(127)</u>	<u>(2,421)</u>
Changes in working capital		
Inventories	(843)	2,381
Trade and other receivables	692	(6,232)
Trade and other payables	140	6,126
Cash generated from operating activities	<u>(138)</u>	<u>(146)</u>
Interest paid	(6)	(1,191)
Interest received	(2)	36
Tax refund/(paid)	-	80
Net cash generated from / (used in) operating activities	<u>(146)</u>	<u>(1,221)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(310)	(667)
Proceeds from disposal of property, plant and equipment	-	39
Proceeds from disposal of assets held for sale	-	358
Proceeds from disposal of an associate	-	-
Proceed from disposal of Investment in Subsidiary Company	-	(436)
Net cash generated from / (used in) investing activities	<u>(310)</u>	<u>(706)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Bank Borrowings	(16)	(2,049)
Advances from / (Repayment to) Director	306	1,789
Net cash generated from / (used in) financing activities	290	(260)
Exchange difference in Translation	(4)	(169)
Net increase / (decrease) in cash and cash equivalents	<u>(170)</u>	<u>(2,356)</u>
Cash and cash equivalents as at 1 Jul 2011 / 1 Jan 2010	1,007	3,363
Cash and cash equivalents as at 30 Sep 2011 / 30 Jun 2011	<u>837</u>	<u>1,007</u>

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statement of Cash Flows (Unaudited) (Continued)

	30/9/2011	18 months ended 30/6/2011
	RM'000	RM'000
Cash and cash equivalents comprise:		
Short term investment in cash fund of financial institutions	55	14
Cash and bank balances	782	993
	<u>837</u>	<u>1,007</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's audited Financial Statements as at 30 June 2011. The accompanying notes form an integral part of this statement.

NICHE CAPITAL EMAS HOLDINGS BERHAD (formerly known as Yikon Corporation Bhd.) (527272-V)
INTERIM REPORT FOR FIRST QUARTER ENDED 30 SEPTEMBER 2011
Notes to the interim financial report

1. Accounting Policies

Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Part A of Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements.

Changes in Accounting Policies

The accounting policies and methods of the computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the 18 months financial period ended 30 June 2011 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) effective 1st January 2011:-

Amendments to FRS

FRS 3	Business Combinations
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 132	Financial Instruments: Presentation
FRS 134	Interim Financial Reporting
FRS 139	Financial Instruments: Recognition and Measurements

The initial applications of the above amendments to FRSs are not expected to have any material impact on the financial statements of the Group and the Company.

2. Change of Financial Year End

On 27 April 2011, the Company announced an immediate change of its financial year end from 31 December to 30 June.

Due to the change of financial year end, there are no comparative figures given for preceding year corresponding quarter in the current report.

3. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Group for the 18 months financial period ended 30 June 2011 were subjected to audit qualification as follows:-

Extracts from the Audit Report:

Basis for Qualified Opinion

As disclosed in Note 25(a) to the financial statements, the Company had issued corporate guarantees to certain banks for banking facilities granted to its former subsidiary for a limit of RM22,579,000/- (31.12.2009: RM22,579,000/-). As at 30th June 2011, RM14,339,570/- of the banking facilities (31.12.2009: RM16,229,012/-) was utilised by the former subsidiary.

As disclosed in Note 25(a), Note 26(c)(ii) and Note 26(c)(iii) to the financial statements, the former subsidiary had defaulted on their installment payments and the banks had served the former subsidiary with Notice of Demand. The total bank borrowings defaulted by the former subsidiary were RM3,210,103/-. The directors of the Company are currently undergoing negotiations with the banks to discharge the corporate guarantee issued by the Company. However, the Company had yet to receive any formal reply from the banks.

As disclosed in Note 26(d) to the financial statements, the former subsidiary had, subsequent to year end on 25th July 2011, failed to make installment payment to another bank borrowing where the total amount of the borrowing is RM8,146,559/-. The directors of the Company are also currently undergoing negotiations with the said bank to discharge the corporate guarantees issued by the Company. However, as at the date of this report, the Company had yet to receive any formal replies from the bank.

No provisions for the said bank borrowings have been provided in the financial statements which, in our opinion, is not in accordance with FRS 137: Provisions, Contingent Liabilities and Contingent Assets.

Current Status of matters giving rise to the qualified opinion of the previous audit report:

The former subsidiary, namely Yikon Jewellery Industry Sdn. Bhd. has been actively negotiating with the banks to restructure its outstanding banking facilities. The former subsidiary has offered to provide new securities to the affected banks with value equivalent or higher than the outstanding banking facilities. In view of the positive progress made by the former subsidiary in relation to the restructuring of the banking facilities, the Board of the Company is of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation arising from the Corporate Guarantees issued to the banks for the banking facilities granted to the former subsidiary. The Company therefore does not make provision for the Corporate Guarantees, but will continue to disclose it as contingent liabilities.

4. Seasonal or Cyclical Factors

Turnover of the Group is normally higher during the festive seasons.

5. Exceptional and Extraordinary Item

There were no material exceptional and extraordinary items affecting assets, liabilities, equity, net income or cash flow for the current quarter and financial year-to-date.

6. Changes in Estimates

There was no material change in estimates of amounts reported in prior interim periods of the current financial year or prior financial year.

7. Issuances and Repayment of Debt and Equity Securities

There was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year under review.

8. Dividend Paid

No dividend has been paid during the current quarter and financial year-to-date.

9. Segmental Information

	Malaysia		Hong Kong / China		Group	
	(3 mths) 2012 RM'000	(18 mths) 2011 RM'000	(3 mths) 2012 RM'000	(18 mths) 2011 RM'000	(3 mths) 2012 RM'000	(18 mths) 2011 RM'000
Revenue	-	1	5,183	28,083	5,183	28,084
Operating Profit	58	8,597	(74)	(1,693)	(16)	6,904
Finance cost					(31)	(1,191)
Profit / (loss) before tax					(47)	5,713
Tax expense					-	(145)
Net profit / (loss) for the period					(47)	5,568

The segmental information is presented based on the geographical location of customers. No business segment analysis is considered necessary as the Group is primarily engaged in the trading and retailing of gold, gold jewellery and ornaments.

10. Property, Plant and Equipment

The valuations of land and buildings have been brought forward without any amendment from the previous audited financial statements.

11. Material Subsequent Events

There was no material event subsequent to the current quarter under review.

12. Changes in the Composition of the Group

On 26 August 2011, the Company incorporated a new subsidiary in Hong Kong S.A.R with the acquisition of 1,000 ordinary shares of HKD1.00 each in Niche Capital (HK) Limited (“NHK”) representing 100% equity interest in the issued and paid-up share capital of NHK. NHK remain dormant as at the end of this reporting period.

13. Contingent Liabilities

	As at 30/9/2011 RM'000	As at 30/6/2011 RM'000
Corporate guarantees given by the Company to financial institutions in respect of banking facilities granted to a private limited company (previously a wholly-owned subsidiary disposed of during the 18 months financial period ended 30 June 2011) which have been utilized as at the end of the reporting period	14,010	13,933

14. Related Party Transactions

There was no related party transaction in the financial quarter under review except the following:

- a) Advances of RM352,083 to the Company from a Director, namely Mr. Yap Chee Keong which is unsecured, interest-free and is repayable on demand; and
- b) Professional fees of RM63,600 payable to Margin Capital Sdn Bhd, a company in which a Director, Mr. Yap Chee Keong has interest.

The Directors of the Company are of the opinion that these transactions were entered into in the ordinary course of business and the terms have been established on a negotiated basis.

15. Review of Performance of the Company and its Principal Subsidiaries

The Group recorded a turnover of RM 5.18 million for the current quarter. The Group's turnover is mainly contributed by operation of the China subsidiary, namely Yikoni Gold (ShenZhen) Co. Ltd. The sales revenue from the China operation in the current quarter is 21% higher compared with the corresponding calendar period for year 2010, however, the average gold price between the two corresponding period also rose by around 38%.

The Group showed a loss before tax of RM 47 thousand in the current quarter.

16. Comparison of the Current Quarter Results with the Immediate Preceding Quarter

The Group recorded a turnover of RM 5.18 million in the current quarter, an increase of 12.67% as compared to the immediate preceding quarter of RM 4.6 million. The increase was due to increased sales revenue reported by the China subsidiary, namely Yikoni Gold (ShenZhen) Co. Ltd. During the reporting period, the average gold price had increased 13% compared with the immediate preceding quarter.

The Group recorded a loss before tax of RM 47 thousand in the current quarter compared to the RM 249 thousand loss before tax in the preceding quarter.

17. Current Year Prospects

The retail market for gold and jewellery in China offers good growth prospects due to increasing affluence and consumption. Demand for pure-gold items is expected to be constrained by the current high gold prices and margins will remain low due to excessive competition.

The Group's performance will be dependent on the availability of additional working capital, expansion of retail outlets, brand promotion and sale of jewellery items with better margins. Barring any unforeseen circumstances, the Group expects another satisfactory performance.

18. Profit Forecast

Not applicable as no profit forecast was published.

19. Taxation

The taxation of the Group for the financial period under review is as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding
	Quarter	Corresponding	To Date	Year To Date
	30/9/2011	Quarter	30/9/2011	
	RM'000	RM'000	RM'000	RM'000
Tax Expense				
Malaysia -current year	-	n/a	-	n/a
Malaysia -prior year	-		-	
Overseas- current year	-	n/a	-	n/a
Total	-	n/a	-	n/a
Deffered Tax Expenses				
Malaysia -current year	-	n/a	-	n/a
Malaysia -prior year	-		-	
Subtotal	-	n/a	-	n/a
Total	-	n/a	-	n/a

20. Unquoted Investment and Properties

There was no disposal of unquoted investment and properties for the current quarter and financial year-to-date.

21. Quoted Securities

There was no disposal or purchase of quoted securities for the current quarter and financial year-to-date.

22. Status of Corporate Proposals Announced

HwangDBS Investment Bank Berhad (“HwangDBS”) had on 27 January 2011 announced, on behalf of the Company, a corporate exercise comprising the proposals as follows:

- (i) Proposed reduction of the Company’s issued and paid-up share capital involving the cancellation of RM0.90 from the existing par value of every existing ordinary share of RM1.00 each in the Company (“Existing Shares”) pursuant to Section 64 of the Companies Act, 1965 (“Act”) (“Proposed Capital Reduction”);
- (ii) Proposed reduction of RM4,548,350 from the share premium account of the Company pursuant to Section 60 and Section 64 of the Act (“Proposed Share Premium Reduction”);

22. Status of Corporate Proposals Announced (Continued)

- (iii) Proposed settlement of up to RM1 million of debt owing to a director via issuance of new ordinary shares of RM0.10 each in the Company (“NICE Shares”) after the Proposed Capital Reduction (“Settlement Shares”)(“Proposed Capitalisation”);
- (iv) Proposed fund raising exercise in the form of a proposed renounceable rights issue of up to 73,420,650 new NICE Shares (“Rights Shares”) on the basis of three (3) Rights Shares for every two (2) NICE Shares held after the Proposed Capital Reduction, Proposed Share Premium Reduction and Proposed Capitalisation together with up to 55,065,487 free detachable warrants (“Warrants”) on the basis of three (3) Warrants for every four (4) Rights Shares subscribed (“Proposed Rights Issue with Warrants”);
- (v) Proposed exemption to Yap Chee Keong from the obligation to undertake a mandatory take-over offer under the Malaysian Code on Take-overs and Mergers, 2010 (“Code”) for the remaining NICE Shares not already held by him in the event his subscription for the Rights Shares results in him triggering a mandatory take-over offer (“Proposed Exemption”);
- (vi) Proposed Employees’ Share Option Scheme (“ESOS”) of up to fifteen percent (15%) of the issued and paid-up capital of the Company (excluding treasury shares) at any point in time, for the employees of the Company and its subsidiaries (“NICE Group” or “Group”) (“Proposed ESOS”); and
- (vii) Proposed amendments to the Memorandum and Articles of Association of the Company (“M&A”) to facilitate the Proposed Capital Reduction (“Proposed Amendments”).

(Collectively referred to as the “Proposals”)

HwangDBS had on 27 April 2011 announced, on behalf of the Company, that the following applications have been submitted:

- (i) Initial listing application for the listing of the Warrants pursuant to the Proposed Rights Issue with Warrants;
- (ii) Additional listing application for the listing of the Settlement Shares, Rights Shares and such number of new NICE Shares to be issued pursuant to exercise of the Warrants and options granted under the Proposed ESOS; and
- (iii) Application to Bank Negara Malaysia in relation to the Proposed Rights Issue with Warrants pursuant to the Exchange Control Regulations.

HwangDBS had on 19 May 2011, on behalf of the Board of Directors of the Company, announced that Bank Negara Malaysia (“BNM”) has via its letter dated 12 May 2011, which was received on 19 May 2011, granted its approval for the issuance of warrants to non-resident shareholders of the Company pursuant to the Proposed Rights Issue with Warrants. The approval from BNM is not subject to any condition.

22. Status of Corporate Proposals Announced (Continued)

HwangDBS had on 23 May 2011, on behalf of the Board, announced that Bursa Securities has via its letter dated 20 May 2011, which was received on 23 May 2011, approved the following:

- (i) Admission to the Official List and the listing and quotation of up to 55,065,487 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants;
- (ii) Listing and quotation of up to 73,420,650 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrants;
- (iii) Listing and quotation of up to 5,882,300 new ordinary shares of RM0.10 each to be issued pursuant to the Proposed Capitalisation;
- (iv) Listing and quotation of up to 55,065,487 new ordinary shares of RM0.10 each to be issued pursuant to the exercise of Warrants; and
- (v) Listing and quotation of such number of additional new ordinary shares of RM0.10 each, representing up to 15% of the issued and paid-up share capital (excluding treasury shares) of NICE at any point in time, to be issued pursuant to the exercise of options under the Proposed ESOS.

The approval for the above is subject to, amongst others, the following conditions:

- (1) NICE and HwangDBS must fully comply with the relevant provisions under the Main Market Listing Requirements pertaining to the implementation of the Proposed Capitalisation, Proposed Rights Issue with Warrants and Proposed ESOS;
- (2) NICE and HwangDBS to inform Bursa Securities upon the completion of the Proposed Capitalisation, Proposed Rights Issue with Warrants and Proposed ESOS;
- (3) NICE and HwangDBS to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Capitalisation, Proposed Rights Issue with Warrants and Proposed ESOS are completed;
- (4) NICE to furnish Bursa Securities on a quarterly basis a summary of the fee payable for the total number of shares listed pursuant to the exercise of Warrants and ESOS as at the end of each quarter;
- (5) Approval by the SC for the Proposed Exemption;
- (6) Approval by BNM for the issuance of Warrants to the entitled non-resident shareholders of NICE; and
- (7) Approval by NICE's shareholders for the Proposed Capitalisation, Proposed Rights Issue with Warrants and Proposed ESOS.

22. Status of Corporate Proposals Announced (Continued)

The Company had on 25 July 2011, announced that at the Extraordinary General Meeting held on the morning of 25 July 2011, all the resolutions as follows have been duly approved by the shareholders of the Company:-

NO.	SPECIAL RESOLUTION
1	Proposed reduction of the Company's issued and paid-up share capital involving the cancellation of RM0.90 from the existing par value of every existing ordinary share of RM1.00 each in Company pursuant to Section 64 of the Companies Act, 1965 ("Proposed Capital Reduction").
2	Proposed reduction of RM4,548,350 from the share premium account of the Company pursuant to Section 60 and Section 64 of the Companies Act, 1965. ("Proposed Share Premium Reduction")
3	Proposed amendments to the Memorandum and Articles of Association of the Company.
ORDINARY RESOLUTION	
1	Proposed settlement of up to RM1million of debt owing to a director via issuance of up to 5,882,300 new ordinary shares of RM0.10 each in the Company after the Proposed Capital Reduction. (Proposed Capitalisation")
2	Proposed renounceable rights issue of up to 73,420,650 new ordinary shares of RM0.10 each in the Company ("Rights Shares") on the basis of three (3) Rights Shares for every two (2) ordinary shares of RM0.10 each in the Company held together with up to 55,065,487 free detachable warrants ("Warrants") on the basis of three (3) Warrants for every four (4) Rights Shares subscribed after the Proposed Capital Reduction, Proposed Share Premium Reduction and immediately upon the Proposed Capitalisation.
3	Proposed exemption to Yap Chee Keong from the obligation to undertake a mandatory take-over offer under the Malaysian Code on Take-overs and Mergers, 2010 for the remaining ordinary shares of RM0.10 each in the Company not already held by him in the event the Proposed Capitalisation and his subscription for the Rights Shares results in him triggering a Mandatory Take-over Offer.
4	Proposed Employees' Share Option Scheme of up to fifteen percent (15%) of the issued and paid-up capital of the Company (excluding treasury shares) at any point in time, for the employees and Directors of the Company and its subsidiaries.
5	Proposed Grant of Options to Dato' Tan Sek Yin.
6	Proposed Grant of Options to Yap Chee Keong.
7	Proposed Grant of Options to Patrick Cheng Ther Wee.
8	Proposed Grant of Options to Ng Chin Nam.
9	Proposed Grant of Options to Md Shahar Bin Md Noor.

HwangDBS Investment Bank Berhad ("HwangDBS") had on 5 August 2011, on behalf of the Board of Directors of NICE, announced that the Securities Commission ("SC") has vide its letter dated 4 August 2011 approved the application by Yap Chee Keong for the Exemption. The approval by the SC is subject to HwangDBS and/or Yap Chee Keong complying with the disclosure requirements under Paragraph 16.10, Practice Note 9 of the Code.

22. Status of Corporate Proposals Announced (Continued)

HwangDBS had on 9 August 2011, on behalf of the Board of Directors of NICE, announced that a petition and supporting affidavit for the Capital Reduction and Share Premium Reduction has been filed in the High Court of Malaya at Pulau Pinang pursuant to Section 60 and Section 64 of the Companies Act, 1965 on 8 August 2011.

HwangDBS had on 31 October 2011, on behalf of the Board of Directors of NICE, announced that the High Court of Malaya at Pulau Pinang has on that date granted an order confirming the Capital Reduction and Share Premium Reduction pursuant to Section 60 and Section 64 of the Companies Act, 1965. The relevant order is in the process of being extracted and an office copy of the order for the Capital Reduction and Share Premium Reduction will be lodged with the Companies Commission of Malaysia for the Capital Reduction and Share Premium Reduction to take effect accordingly.

23. Group Borrowings and Debt Securities

The Group borrowing as at 30 September 2011 is as follows:

	As at 30/9/2011 RM'000	As at 30/6/2011 RM'000
Amount payable within 12 months	1,094	1,021
Amount payable after 12 months	397	436
Total	<u>1,491</u>	<u>1,457</u>

The bank borrowing of the Group is in Ringgit Malaysia. The bank borrowing of the holding company is unsecured and the subsidiaries of the Company do not have bank borrowing as at the end of the reporting period.

24. Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risks at the latest practicable date.

25. Changes In Material Litigation

As at the latest practicable date, neither the Company nor any of its subsidiary companies is engaged in any material litigation, either as plaintiff or defendant and the Directors of the Company are not aware of any proceedings pending or threatened against the Company and its subsidiary companies or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group save for any litigation arising from the default in repayment of bank borrowings as announced on 18 March 2011 and its subsequent monthly announcements.

26. Proposed Dividend

No dividend has been proposed for the current quarter and financial year-to-date.

27. Earnings Per Share

Basic EPS		Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
		30/9/2011		30/9/2011	
Net profit for the period (Basic EPS numerator)	(RM'000)	(47)	n/a	(47)	n/a
Weighted average number of ordinary shares (Basic EPS denominator)	('000)	43,065	n/a	43,065	n/a
Basic earnings per share	(sen)	<u>(0.01)</u>	<u>n/a</u>	<u>(0.01)</u>	<u>n/a</u>

Diluted EPS

The Company does not have any convertible securities and accordingly there is no diluted EPS.

28. Realised and Unrealised Retained Profits

	As at 30.9.2011 RM'000	As at 30.6.2011 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries		
- Realised	(37,640)	(34,763)
- Unrealised	<u>(99)</u>	<u>(2,928)</u>
	<u>(37,739)</u>	<u>(37,691)</u>
Less: Consolidation Adjustment	323	281
Total Group retained profits / (accumulated losses) as per consolidated accounts	<u><u>(37,416)</u></u>	<u><u>(37,410)</u></u>

By Order of the Board
Lam Voon Kean (MIA 4793)
Dated this 22nd November 2011