



INIX Technologies Holdings Berhad
(665797-D)
(Incorporated in Malaysia)

Unaudited interim financial report

for the quarter ended 30 April 2009

SUMMARY OF KEY FINANCIAL INFORMATION				
30/04/2009				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2009	30/04/2008	30/04/2009	30/04/2008
	RM'000	RM'000	RM'000	RM'000
1 Revenue	234	266	976	1,368
2 Profit/(loss) before tax	(1,063)	(1,464)	(2,799)	(3,975)
3 Profit/(loss) for the period	(1,063)	(1,464)	(2,799)	(3,975)
4 Profit/(loss) attributable to ordinary equity holders of the parent	(1,063)	(1,464)	(2,799)	(3,975)
5 Basic earnings/(loss) per share (sen)	(0.92)	(1.27)	(2.43)	(3.48)
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)		0.0467		0.0677



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated income statement for the three-month and nine-month periods ended 30 April 2009

	<i>Note</i>	<i>Three months ended</i>		<i>Nine months ended</i>	
		<i>30 Apr 2009</i>	<i>30 Apr 2008</i>	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	234	266	976	1,368
Cost of sales		(209)	(330)	(860)	(1,047)
<i>Gross profit</i>		25	(64)	116	321
Selling and marketing expenses		(53)	(143)	(62)	(420)
Administrative expenses		(355)	(371)	(946)	(1,239)
Research and development expenses		(436)	(591)	(1,176)	(1,765)
Other expenses		(243)	(294)	(729)	(869)
Finance costs		(1)	(1)	(2)	(3)
<i>Loss before tax</i>		(1,063)	(1,464)	(2,799)	(3,975)
Taxation	B5	-	-	-	-
<i>Loss for the period</i>		(1,063)	(1,464)	(2,799)	(3,975)
<i>Loss per share</i> <i>attributable to ordinary equity</i> <i>holders of the Company (sen)</i>					
Basic	B13	(0.92)	(1.27)	(2.43)	(3.48)
Diluted	B13	(0.92)	(1.27)	(2.43)	(3.48)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
(Incorporated in Malaysia)

Condensed consolidated balance sheet as at 30 April 2009

	<i>Note</i>	<i>As at 30 Apr 2009 unaudited RM'000</i>	<i>As at 31 Jul 2008 audited RM'000</i>
ASSETS			
Non-Current Assets			
Intangible assets		870	1,102
Property, plant and equipment	A10	5,654	7,071
Goodwill on consolidation		-	-
		<hr/> 6,524	<hr/> 8,173
Current Assets			
Inventories		500	832
Trade receivables		4	40
Other receivables, deposits and prepayments		184	210
Cash and bank balances		54	157
		<hr/> 742	<hr/> 1,239
TOTAL ASSETS		<hr/> 7,266	<hr/> 9,412
EQUITY AND LIABILITIES			
Attributable to Equity Holders of the Company			
Share capital		11,495	11,495
Share premium		8,658	8,658
Share option reserve	A7(a)	1,863	1,478
Accumulated losses		(16,649)	(13,850)
		<hr/> 5,367	<hr/> 7,781
Non-Current Liability			
Hire purchase payable	B9	-	2
Current liabilities			
Trade payables		376	463
Other payables and accruals		1,512	1,141
Provision for warranty claims		5	7
Hire purchase payable	B9	6	18
		<hr/> 1,899	<hr/> 1,629
TOTAL EQUITY AND LIABILITIES		<hr/> 7,266	<hr/> 9,412
Net assets per share attributable to ordinary equity holders of the Company (RM)			
		<hr/> 0.0467	<hr/> 0.0677

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated statement of changes in equity for the nine-month period ended 30 April 2009

	<i>Attributable to equity holders of the Company</i>				
	<i>Share capital</i>	<i>Share premium</i>	<i>Share option reserve</i>	<i>Accumulated losses</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2007 (audited)	10,450	8,109	1,061	(2,605)	17,015
Issue of shares during the period	1,045	575	-	-	1,620
Share issue expenses	-	(26)	-	-	(26)
Loss for the period	-	-	-	(3,975)	(3,975)
Employee share options granted	-	-	288	-	288
At 30 April 2008 (unaudited)	11,495	8,658	1,349	(6,580)	14,922
At 1 August 2008 (audited)	11,495	8,658	1,478	(13,850)	7,781
Loss for the period	-	-	-	(2,799)	(2,799)
Employee share options granted	-	-	385	-	385
At 30 April 2009 (unaudited)	11,495	8,658	1,863	(16,649)	5,367

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
(Incorporated in Malaysia)

Condensed consolidated cashflow statement for the nine-month period ended 30 April 2009

	<i>Nine months ended</i>	
	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>
	<i>unaudited</i>	<i>unaudited</i>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(2,799)	(3,975)
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	1,417	1,936
Amortisation of intangible assets	232	232
Net provision for warranty claims written back	(2)	(26)
Allowance for doubtful debts	3	159
Interest expense on hire purchase financing	2	3
Share option expense	385	288
Operating loss before working capital changes	(762)	(1,383)
(Increase)/decrease in inventories	332	(1,086)
Decrease in trade receivables	33	858
Decrease in other receivables, deposits and prepayments	26	18
Decrease in trade payables	(87)	(159)
Increase in other payables and accruals	357	315
Net cash used in operating activities	(101)	(1,437)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(738)
Net cash used in investing activities	-	(738)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (net)	-	1,594
Interest paid on hire purchase financing	(2)	(3)
Net cash generated from/(used in) financing activities	(2)	1,591
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(103)	(584)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	157	669
CASH AND CASH EQUIVALENTS AT END OF PERIOD	54	85
<i>These comprise:-</i>		
Cash in hand	18	15
Bank balances	36	70
	54	85

The condensed consolidated cashflow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial statements.



Explanatory notes to the interim financial report

A Pursuant to FRS 134: Interim Financial Reporting

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the Mesdaq Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 July 2008.

A2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2008.

The Group has not early adopted the following new and revised FRSs and Interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective:

FRS		<i>Effective for annual periods commencing on or after</i>
4	Insurance Contracts	1 Jan 2010
7	Financial Instruments: Disclosures	1 Jan 2010
8	Operating Segments	1 Jul 2009
139	Financial Instruments: Recognition and Measurement	1 Jan 2010
IC Interpretation		
9	Reassessment of Embedded Derivatives	1 Jan 2010
10	Interim Financial Reporting and Impairment	1 Jan 2010

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 July 2008 was not qualified.

A4 Seasonal or cyclical factors

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current quarter and financial year-to-date under review.

A5 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

A6 Significant estimates and changes in estimates

There were no changes in estimates that have a material effect in the current quarter and financial year-to-date.



Explanatory notes to the interim financial report

A7 Debt and equity securities

Save as disclosed below, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares during the financial year-to-date under review:

(a) Employee Share Option Scheme

The INIX Employee Share Option Scheme ("ESOS" or "the Scheme") grants options to eligible directors and employees of the INIX Group to subscribe for shares up to 15% of INIX's issued and paid-up share capital. The Scheme is in force for a duration of 5 years commencing from 25 August 2005.

On 12 September 2005, 6,000,000 share options were granted and accepted at an exercise price of RM0.40 per share pursuant to the Company's ESOS. The estimated fair value of RM0.20 per option was calculated using the Black-Scholes option pricing model with inputs into the model as follows:

Weighted average share price	RM0.44
Exercise price	RM0.40
Expected volatility	60%
Expected life	3 years
Risk free rate	3.33%
Expected dividend yield	nil

Expected volatility was determined by calculating the historical volatility of the share prices of the Company and of other companies listed on the same exchange, board and sector. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Details of the share options outstanding during the period under review are as follows:

	<i>No. of share options at exercise price of RM0.40 each</i>			
	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>
	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>
Outstanding at the beginning of the period	4,250	4,450	4,250	4,600
Granted and accepted during the period	-	-	-	-
Forfeited during the period	-	(200)	-	(350)
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	4,250	4,250	4,250	4,250
Exercisable at the end of the period	3,943	3,336	3,943	3,336

(b) Private placement exercise

The Company announced on 4 January 2008 that it proposed to undertake a private placement exercise involving the placement of up to 10% of the issued and fully paid-up share capital of INIX, comprising up to 11,495,000 new ordinary shares of RM0.10 each to investors to be identified. The proposal is subject to approval of the Securities Commission.

A8 Dividends paid

No dividends were paid during the financial year-to-date.



Explanatory notes to the interim financial report

A9 Segmental information

(a) Geographical segments

- Asia** - promotion, marketing, distribution, sales and related activities.
- research and development ("R&D") activities are engaged in Malaysia only.
- Australia** - promotion, marketing, distribution, sales and related activities.

	Australia	Asia	Conso- lidated
	RM'000	RM'000	RM'000
Three months ended 30 Apr 2009			
Segment Revenue			
Total revenue	-	234	234
Inter-segment revenue	-	-	-
External revenue	-	234	234
Segment Results			
Unallocated expenses	(84)	(418)	(502)
- corporate			(392)
- R&D			(169)
Finance costs			-
Taxation			-
Loss for the period			(1,063)
Segment Assets			
Unallocated assets	628	5,900	6,528
Total assets			7,266
Segment Liabilities			
Unallocated liabilities	-	5	5
Total liabilities			1,894
Other Information:			
Capital expenditure	-	-	-
Depreciation	32	440	472
Amortisation	53	25	78
Three months ended 30 Apr 2008			
Segment Revenue			
Total revenue	-	266	266
Inter-segment revenue	-	-	-
External revenue	-	266	266
Segment Results			
Unallocated expenses	(85)	(820)	(905)
- corporate			(406)
- R&D			(152)
Finance costs			(1)
Taxation			-
Loss for the period			(1,464)
Segment Assets			
Unallocated assets	2,639	10,874	13,513
Total assets			16,154
Segment Liabilities			
Unallocated liabilities	-	41	41
Total liabilities			1,191
Other Information:			
Capital expenditure	-	1	1
Depreciation	32	614	646
Amortisation	53	25	78



Explanatory notes to the interim financial report

A9 Segmental information *(continued)*

(a) Geographical segments *(continued)*

	<i>Australia</i> RM'000	<i>Asia</i> RM'000	<i>Conso- lidated</i> RM'000
Nine months ended 30 Apr 2009			
Segment Revenue			
Total revenue	-	976	976
Inter-segment revenue	-	-	-
External revenue	-	976	976
Segment Results			
Unallocated expenses	(251)	(1,115)	(1,366)
- corporate			(1,054)
- R&D			(377)
Finance costs			(2)
Taxation			-
Profit for the period			<u>(2,799)</u>
Segment Assets			
Unallocated assets	628	5,900	6,528
Total assets			<u>7,266</u>
Segment Liabilities			
Unallocated liabilities	-	5	5
Total liabilities			<u>1,894</u>
Other Information:			
Capital expenditure	-	-	-
Depreciation	95	1,322	1,417
Amortisation	157	75	232
Nine months ended 30 Apr 2008			
Segment Revenue			
Total revenue	2	1,366	1,368
Inter-segment revenue	-	-	-
External revenue	2	1,366	1,368
Segment Results			
Unallocated expenses	(250)	(1,944)	(2,194)
- corporate			(1,331)
- R&D			(447)
Finance costs			(3)
Taxation			-
Profit for the year			<u>(3,975)</u>
Segment Assets			
Unallocated assets	2,639	10,874	13,513
Total assets			<u>2,641</u>
Segment Liabilities			
Unallocated liabilities	-	41	41
Total liabilities			<u>1,191</u>
Other Information:			
Capital expenditure	-	738	738
Depreciation	95	1,841	1,936
Amortisation	157	75	232



Explanatory notes to the interim financial report

A9 Segmental information *(continued)*

(b) Business segments

	<i>Invest- ment holding</i>	<i>Development and sales of security, automation and surveillance systems</i>	<i>Elimi-nation</i>	<i>Conso- lidated</i>
	RM'000	RM'000	RM'000	RM'000
Three months ended 30 Apr 2009				
Total revenue	-	234	-	234
Segment assets	8,007	8,130	(8,871)	7,266
Capital expenditure	-	-	-	-
Three months ended 30 Apr 2008				
Total revenue	-	266	-	266
Segment assets	18,513	16,937	(19,296)	16,154
Capital expenditure	-	1	-	1
Nine months ended 30 Apr 2009				
Total revenue	-	976	-	976
Segment assets	8,007	8,130	(8,871)	7,266
Capital expenditure	-	-	-	-
Nine months ended 30 Apr 2008				
Total revenue	-	1,368	-	1,368
Segment assets	18,513	16,937	(19,296)	16,154
Capital expenditure	-	738	-	738

A10 Carrying value of revalued assets

There has been no revaluation of property, plant and equipment during the financial year-to-date.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year-to-date.

A12 Capital commitments

As at the end of the current financial year-to-date, the Group has no material commitment in respect of property, plant and equipment.

A13 Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 July 2008.

A14 Significant related party transactions

The directors are of the opinion that there were no related party transactions during the financial year-to-date which would have a significant impact on the financial position and business of the Group.

A15 Subsequent events

There were no material events subsequent to the end of the current quarter.



Explanatory notes to the interim financial report

B Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the Mesdaq Market

B1 Performance review

The Group registered a sales turnover of RM0.234 million for the quarter under review. Reflective of the continuing adverse operating environment for the Group, consolidated earnings remained in the negative, with an unaudited pre-tax loss of RM1.063 million recorded for the current quarter. For the financial year-to-date, loss before tax is RM2.799 million on sales of RM0.976 million.

B2 Material change in profit before tax

	<i>Current quarter ended 30 Apr 2009</i>	<i>Preceding quarter ended 31 Jan 2009</i>
	RM'000	RM'000
Revenue	234	325
Loss before tax	(1,063)	(768)

Group sales revenue for the quarter under review ("Q3") declined further to RM0.234 million compared to the RM0.325 million recorded for the preceding quarter ("Q2"). In tandem with the lower sales turnover, pre-tax loss for the period of RM1.063 million was higher than for Q2 amounting to RM0.768 million. For the current quarter under review, the Group recorded higher research and development expenses at RM0.436 million (Q2: RM0.322 million) and administrative expenses at RM0.355 million (Q2: RM0.268 million).

Significant individual items of expenditure for Q3 compared to Q2 include depreciation on property, plant and equipment of RM0.472 million (Q2: RM0.472 million), share option expenses RM0.125 million (Q2: RM0.129 million), and amortisation of intangible assets RM0.077 million (Q2: RM0.077 million). Consolidated selling and marketing expenses for Q3 amounted to RM0.053 million compared to a negative RM0.071 million for Q2 arising from a write-back of expenses overprovided in preceding quarters.

B3 Prospects

In light of the Group's extremely disappointing revenue and earnings performance in the last two preceding financial years, the Directors are cautious on the prospects of the Group in the near term. Barring any unforeseen significant further deterioration of the Group's operating environment, including impairment and/or diminution in the value of the Group's assets vis-à-vis the future economic benefits reasonably expected to flow to the Group therefrom, the Directors are hopeful of reduced losses for the current financial year ending 31 July 2009.

B4 Profit forecast or profit guarantee

No profit forecast or profit guarantee was published.

B5 Taxation

For both the current quarter as well as financial year-to-date, the Group has no taxable income.

B6 Sale of unquoted investments and properties

There were no sales of unquoted investments and properties in the current quarter and financial year-to-date.



Explanatory notes to the interim financial report

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter and financial year-to-date.

B8 Corporate proposals

Save as disclosed below, there were no corporate proposals announced but not yet completed as at the date of this announcement.

Proposed placement

The Company announced on 4 January 2008 that it proposed to undertake a private placement exercise involving the placement of up to 10% of the issued and fully paid-up share capital of INIX, comprising up to 11,495,000 new ordinary shares of RM0.10 each to investors to be identified. The proposal is pending approval of the Securities Commission.

B9 Borrowings and debt securities

Save as disclosed below, there were no borrowings and debt securities outstanding and/or issued as at the end of the reporting period.

<i>Interest bearing secured borrowing</i>	<i>Payable within 12 months</i>	<i>Payable after 12 months</i>
	RM'000	RM'000
Hire purchase (in Malaysian currency)	6	-

There has been no default on payment of either interest and/or principal sum in respect of the above borrowing throughout the past one financial year.

B10 Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

B11 Changes in material litigation

Save as disclosed below, neither the Company nor its subsidiary is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary.

Kuala Lumpur High Court Civil Suit No. S7-22-222-2006

The Company and an executive director of the Company are defendants to a suit brought against them by a third party for an amount of RM1,010,000. The solicitors acting on behalf of the Company and the said director are of the opinion that the claim is frivolous as it is based on illegality as well as fraud and as such, unsustainable.

In an announcement on 25 October 2007, the Company informed that the Deputy Registrar of the Kuala Lumpur High Court (Civil Division No.7) had in hearing on 25 October 2007 dismissed with costs the plaintiff's attempt to enter summary judgment against the Company. Thereafter, the plaintiff has not taken any further steps in this matter.



Explanatory notes to the interim financial report

B12 Dividend payable

No interim ordinary dividend has been declared for the financial period under review.

B13 Earnings per share

The basic/diluted earnings per share are computed based on the net profit attributable to ordinary shareholders and the weighted average / adjusted weighted average number of ordinary shares outstanding during the year as follows:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>	<i>30 Apr 2009</i>	<i>30 Apr 2008</i>
Basic:				
Net loss attributable to ordinary shareholders (RM'000)	(1,063)	(1,464)	(2,799)	(3,975)
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,111
<i>Basic loss per ordinary share (sen)</i>	<i>(0.92)</i>	<i>(1.27)</i>	<i>(2.43)</i>	<i>(3.48)</i>
Diluted:				
Net loss attributable to ordinary shareholders (RM'000)	(1,063)	(1,464)	(2,799)	(3,975)
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,111
Number of shares issuable under ESOS ('000)	4,250	4,250	4,250	4,250
Number of shares that would have been issued at fair value ('000)	(4,250)	(4,250)	(4,250)	(4,250)
Adjusted weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,111
<i>Diluted loss per ordinary share (sen)</i>	<i>(0.92)</i>	<i>(1.27)</i>	<i>(2.43)</i>	<i>(3.48)</i>

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 June 2009.