



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

Unaudited interim financial report

for the quarter ended 30 April 2011

SUMMARY OF KEY FINANCIAL INFORMATION				
30/04/2011				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/04/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2010 RM'000	CURRENT YEAR TO DATE 30/04/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2010 RM'000
1 Revenue	1,190	746	3,209	1,419
2 Profit/(loss) before tax	(224)	155	(229)	391
3 Profit/(loss) for the period	(224)	155	(229)	391
4 Profit/(loss) attributable to ordinary equity holders of the parent	(224)	155	(229)	391
5 Basic earnings/(loss) per share (sen)	(0.20)	0.34	(0.20)	0.34
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)	0.0513		0.0533	



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 2011

		<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>Note</i>	<i>30 Apr 2011</i>	<i>30 Apr 2010</i>	<i>30 Apr 2011</i>	<i>30 Apr 2010</i>
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	1,190	746	3,209	1,419
Cost of sales		(77)	(128)	(419)	(375)
Gross profit		1,112	618	2,790	1,044
Other operating income		-	-	-	623
Selling and marketing expenses		-	(7)	(54)	(45)
Administrative expenses		(117)	(51)	(647)	(17)
Research and development expenses		(1,073)	(266)	(1,862)	(799)
Other expenses		(146)	(139)	(455)	(415)
Finance costs		-	-	-	-
Profit/(Loss) before tax		(224)	155	(229)	391
Taxation	B5	-	-	-	-
Loss for the period		(224)	155	(229)	391
Profit/(Loss) per share attributable to ordinary equity holders of the Company (sen)					
Basic	B13	(0.19)	0.13	(0.20)	0.34
Diluted	B13	(0.19)	0.13	(0.20)	0.34

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated balance sheet as at 30 April 2011

	<i>Note</i>	<i>As at 30 Apr 2011 unaudited RM'000</i>	<i>As at 31 Jul 2010 audited RM'000</i>
ASSETS			
Non-Current Assets			
Intangible assets		1,196	484
Property, plant and equipment	A10	2,022	3,247
		3,218	3,731
Current Assets			
Inventories		416	454
Trade receivables		3,743	2,709
Other receivables, deposits and prepayments		336	281
Cash and bank balances		172	116
		4,667	3,560
TOTAL ASSETS		7,885	7,291
EQUITY AND LIABILITIES			
Attributable to Equity Holders of the Company			
Share capital		11,495	11,495
Share premium		8,658	8,658
Accumulated losses		(14,251)	(14,022)
		5,902	6,131
Current liabilities			
Trade payables		142	148
Other payables and accruals		1,837	1,009
Provision for warranty claims		4	3
		1,983	1,160
TOTAL EQUITY AND LIABILITIES		7,885	7,291
Net assets per share attributable to ordinary equity holders of the Company (RM)			
		0.0513	0.0533

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2010 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 2011

	<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 2009 (audited)	11,495	8,658	364	(14,673)	5,844
Profit for the period	-	-	-	391	391
Employee share options granted	-	-	(189)	-	(189)
At 30 April 2010 (unaudited)	11,495	8,658	175	(14,282)	6,046
At 1 August 2010 (audited)	11,495	8,658	-	(14,022)	6,131
Loss for the period	-	-	-	(229)	(229)
At 30 April 2011 (unaudited)	11,495	8,658	-	(14,251)	5,902

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.



INIX Technologies Holdings Berhad (665797-D)
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Condensed consolidated cashflow statement for the nine-month period ended 30 April 2011

	<i>Nine months ended</i>	
	30 Apr 2011	30 Apr 2010
	<i>unaudited</i>	<i>unaudited</i>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the period	(229)	391
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	1,225	1,214
Amortisation of intangible assets	232	232
Net provision for warranty claims (written back)	1	(1)
Allowance for doubtful debts	16	16
Interest expense on hire purchase financing	-	-
Share option expense (written back)	-	(189)
<i>Operating profit/(loss) before working capital changes</i>	1,245	1,663
Decrease in inventories	38	45
Increase/(Decrease) in trade receivables	(1,050)	(832)
Decrease/(Increase) in other receivables, deposits and prepayments	(55)	(76)
Decrease in trade payables	(6)	(60)
Increase/(decrease) in other payables and accruals	828	(746)
<i>Net cash generated from/(used in) operating activities</i>	1,000	(6)
CASH FLOWS FROM INVESTING ACTIVITIES		
Research & development expenditure	(944)	-
<i>Net cash generated from/(used in) investing activities</i>	(944)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
<i>Net cash generated from/(used in) financing activities</i>	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	56	(6)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	116	30
CASH AND CASH EQUIVALENTS AT END OF PERIOD	172	24
<i>These comprise:-</i>		
Cash in hand	7	7
Bank balances	165	17
	172	24

The condensed consolidated cashflow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2010 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 ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2010. 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 2010.

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 2010.

The Group and the Company have not applied the following new and revised accounting standards (including consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective:

FRSs and Amendments	Effective for annual periods commencing on or after
Amendment to FRS 1	1 Jan 2011
Amendment to FRS 1	1 Jan 2011
Amendment to FRS 1	1 Jan 2011
Amendment to FRS 2	1 Jan 2011
Amendment to FRS 3	1 Jan 2011
Amendment to FRS 7	1 Jan 2011
Amendment to FRS 7	1 Jan 2011
Amendment to FRS 101	1 Jan 2011
Amendment to FRS 121	1 Jan 2011
FRS 124 (revised)	1 Jan 2012
Amendment to FRS 128	1 Jan 2011
Amendment to FRS 131	1 Jan 2011
Amendment to FRS 132	1 Jan 2011
Amendment to FRS 134	1 Jan 2011
Amendment to FRS 139	1 Jan 2011
Interpretations and Amendments	
IC Interpretation 4	1 Jan 2011
Amendment to IC Interpretation 13	1 Jan 2011
Amendment to IC Interpretation 14	1 Jul 2011
IC Interpretation 18	1 Jan 2011
IC Interpretation 19	1 Jul 2011

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 July 2010 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.



Explanatory notes to the interim financial report

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.

A7 Debt and equity securities

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.

A8 Dividends paid

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

A9 Segmental information

(a) Operating segments

	<i>Development and sales of security, automation and surveillance systems</i> RM'000	<i>Software development and system integration</i> RM'000	<i>Corporate</i> RM'000	<i>Elimi- nations</i> RM'000	<i>Total</i> RM'000
Three months ended 30 Apr 2011					
Revenue					
External customers	-	1,190	-	-	1,190
Inter-segment	-	-	-	-	-
Total revenue	-	1,190	-	-	1,190
Results					
Depreciation	-	(412)	-	-	(412)
Amortisation	-	(78)	-	-	(78)
Impairment of non-financial assets	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	-	(224)	-	-	(224)
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to property, plant and equipment	-	-	-	-	-
Additions to intangible assets	-	447	-	-	447
Amount due from subsidiaries	-	618	-	(618)	-
Amount due from related company	-	-	-	-	-
Segment assets	7,968	1,643	2,714	(4,440)	7,885
Liabilities					
Amount due to holding company	-	-	-	-	-
Amount due to related company	-	-	-	-	-
Amount due to subsidiaries	-	536	30	(566)	-
Segment liabilities	12,791	1,447	323	(12,578)	1,983



Explanatory notes to the interim financial report

(a) Operating segments

	<i>Development and sales of security, automation and surveillance systems</i> RM'000	<i>Software development and system integration</i> RM'000	<i>Corporate</i> RM'000	<i>Elimi- nations</i> RM'000	<i>Total</i> RM'000
Three months ended 30 Apr 2010					
Revenue					
External customers	189	-	-	-	746
Inter-segment	-	-	-	-	-
Total revenue	189	-	-	-	746
Results					
Depreciation	(404)	-	-	-	(404)
Amortisation	(78)	-	-	-	(78)
Impairment of non-financial assets	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	(1)	-	-	-	(1)
Share-based payments	-	-	-	-	-
Segment profit/(loss)	155	-	-	-	155
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to property, plant and equipment	-	-	-	-	-
Amount due from related company	-	-	-	-	-
Segment assets	7,691	-	4,810	(5,717)	6,784
Liabilities					
Amount due to holding company	-	-	-	-	-
Amount due to related company	-	-	-	-	-
Amount due to subsidiaries	-	-	-	-	-
Segment liabilities	12,250	-	285	(11,797)	738



Explanatory notes to the interim financial report

(a) Operating segments

	<i>Development and sales of security, automation and surveillance systems</i>	<i>Software development and system integration</i>	<i>Corporate</i>	<i>Elimi- nations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
Nine months ended 30 Apr 2011					
Revenue					
External customers	673	2,536	-	-	3,209
Inter-segment	-	-	-	-	-
Total revenue	<u>673</u>	<u>2,536</u>	<u>-</u>	<u>-</u>	<u>3,209</u>
Results					
Depreciation	-	(1,225)	-	-	(1,225)
Amortisation	-	(232)	-	-	(232)
Impairment of non-financial assets	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>-</u>	<u>(229)</u>	<u>-</u>	<u>-</u>	<u>(229)</u>
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to property, plant and equipment	-	-	-	-	-
Additions to intangible assets	-	714	-	-	714
Amount due from subsidiary	961	31	-	(992)	-
Segment assets	<u>7,968</u>	<u>1,643</u>	<u>2,714</u>	<u>(4,440)</u>	<u>7,885</u>
Liabilities					
Amount due to holding company	11,806	-	-	(11,806)	-
Amount due to related company	-	628	-	-	628
Amount due to subsidiaries	-	738	30	(768)	-
Segment liabilities	<u>12,791</u>	<u>1,447</u>	<u>323</u>	<u>(12,578)</u>	<u>1,983</u>



Explanatory notes to the interim financial report

(a) Operating segments

	<i>Development and sales of security, automation and surveillance systems</i>	<i>Software development and system integration</i>	<i>Corporate</i>	<i>Elimi- nations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
Nine months ended 30 Apr 2010					
Revenue					
External customers	1,419	-	-	-	1,419
Inter-segment	-	-	-	-	-
Total revenue	<u>1,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,419</u>
Results					
Depreciation	(1,213)	-	-	-	(1,213)
Amortisation	(232)	-	-	-	(232)
Impairment of non-financial assets	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	(1)	-	-	-	(1)
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391</u>
Assets					
Investment in subsidiaries	-	-	-	-	-
Additions to property, plant and equipment	-	-	-	-	-
Amount due from subsidiaries	-	-	4,806	(4,806)	-
Amount due from related company	910	-	-	(910)	-
Segment assets	<u>7,691</u>	<u>-</u>	<u>4,810</u>	<u>(5,717)</u>	<u>6,784</u>
Liabilities					
Amount due to holding company	11,797	-	-	(11,797)	-
Amount due to related company	-	-	-	-	-
Amount due to subsidiaries	-	-	-	-	-
Segment liabilities	<u>12,250</u>	<u>-</u>	<u>285</u>	<u>(11,797)</u>	<u>738</u>



Explanatory notes to the interim financial report

(b) Geographical information

	Revenue RM'000	Profit/(Loss) before taxation RM'000	Non-current assets		Current asset
			Property, plant and equipment RM'000	Intangible assets RM'000	Trade receivables RM'000
Three months ended 30 Apr 2011					
Malaysia	1,190	(224)	(412)	(78)	261
Australia	-	-	-	-	-
	<u>1,190</u>	<u>(224)</u>	<u>(412)</u>	<u>(78)</u>	<u>261</u>
Three months ended 30 Apr 2010					
Malaysia	189	155	(404)	(25)	580
Australia	-	-	-	(52)	-
	<u>189</u>	<u>155</u>	<u>(404)</u>	<u>(77)</u>	<u>580</u>
Nine months ended 30 Apr 2011					
Malaysia	3,209	(229)	2,022	1,196	3,482
Australia	-	-	-	-	-
	<u>3,209</u>	<u>(229)</u>	<u>2,022</u>	<u>1,196</u>	<u>3,482</u>
Nine months ended 30 Apr 2010					
Malaysia	1,419	391	3,345	718	2,093
Australia	-	-	261	(157)	-
	<u>1,419</u>	<u>391</u>	<u>3,606</u>	<u>561</u>	<u>2,093</u>

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 2010.



Explanatory notes to the interim financial report

A14 Significant related party transactions

On 1st April 2010, the Group via its subsidiary ITSB, received a Contract from eNCoral Digital Solutions (EDSSB) for the development of Integrated Campus Management System (ICMS). Since October 2010, EDSSB has become substantial shareholder.

Significant transactions between related parties and the Group as at balance sheet date are as follows. It only involves progress billing of the related contract.

Revenue

	Three months ended		Nine months ended	
	30 Apr 2011	30 Apr 2010	30 Apr 2011	30 Apr 2010
	RM	RM	RM	RM
Fees on software development and implementation in progress receivable from EDSSB	<u>516,000</u>	<u>580,000</u>	<u>2,300,000</u>	<u>580,000</u>

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 ACE Market

B1 Performance review

For the current quarter under review ("FY11Q3"), the Group registered a pre-tax loss of RM0.224 million on sales turnover of RM1.19 million. For the financial year-to-date, consolidated loss before tax is RM0.229 million on sales of RM3.209 million.

B2 Material change in profit before tax

	<i>Current quarter ended 30 Apr 2011</i>	<i>Preceding quarter ended 31 Jan 2011</i>
	RM'000	RM'000
Revenue	1,190	1,011
Profit/Loss before taxation	(224)	40

In comparison, the preceding quarter ("FY11Q2") recorded a pre-tax gain of RM0.040 million on substantially lower sales of RM1.011 million. For FY11Q3, research and development expenses were higher at +RM1.073 million (FY11Q2: +RM0.490 million) but no cost incurred on selling and marketing. Administrative expenses were also lower for FY11Q3 at +RM0.117 million (FY11Q2: RM0.154 million)

Other significant individual items of expenditure for FY11Q3 compared to FY11Q2 include depreciation on property, plant and equipment of RM0.412 million (FY11Q2: RM0.405 million) and amortisation of intangible assets RM0.078 million (FY11Q2: RM0.077 million).

B3 Prospects

In light of the Group's disappointing revenue and earnings performance in the last three 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 a small profit the succeeding financial year ending 31 July 2011.

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

There was a placement exercise announced during this quarter. [Refer : CU-110310-40796]. The exercise has not been executed as of the end of this quarter.

B9 Borrowings and debt securities

There were no borrowings and debt securities outstanding and/or issued as at the end of the reporting period.

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 30 March 2010, the Company informed that the High Court had on 25 March 2010 struck out the Plaintiff's main action against INIX with cost awarded to the Defendants. Further, after hearing INIX's witnesses, perusing the Company's documents and hearing submissions, the Court then allowed INIX Technologies Sdn Bhd's counterclaim against the Plaintiff as follows: (i) judgement for the sum of RM337,300.00; (ii) interest at 8% on the sum of RM337,300.00 from 19 June 2006 until full settlement; and (iii) cost. The Company's lawyers will proceed to file and extract the Court's order.

B12 Dividend payable

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



Explanatory notes to the interim financial report

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 2011</i>	<i>30 Apr 2010</i>	<i>30 Apr 2011</i>	<i>30 Apr 2010</i>
Basic:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(224)	155	(229)	391
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
<i>Basic earnings/(loss) per ordinary share</i>	<i>(0.19)</i>	<i>0.13</i>	<i>(0.20)</i>	<i>0.34</i>
Diluted:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(224)	155	(229)	391
Weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
Number of shares issuable under ESOS ('000)	-	270	-	270
Number of shares that would have been issued at fair value ('000)	-	(270)	-	(270)
Adjusted weighted average number of ordinary shares in issue ('000)	114,950	114,950	114,950	114,950
<i>Diluted earnings/(loss) per ordinary</i>	<i>(0.19)</i>	<i>0.13</i>	<i>(0.20)</i>	<i>0.34</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 16 June 2011.