



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

# **Unaudited interim financial report**

**for the quarter ended 30 April 2013**



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

## Condensed consolidated income statement for the three-month and nine-month periods ended 30 April 2013

		<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>Note</i>	<i>30 April 2013</i>	<i>30 April 2012</i>	<i>30 April 2013</i>	<i>30 April 2012</i>
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	1,032	1,253	2,112	3,354
Cost of sales		-	(98)	-	(124)
<b>Gross profit</b>		<b>1,032</b>	<b>1,155</b>	<b>2,112</b>	<b>3,230</b>
Other income	A10	5	-	10	8
Selling and marketing expenses		-	-	(2)	-
Administrative expenses		(1,008)	(67)	(3,007)	(201)
Research and development expenses		-	(992)	-	(2,730)
Other expenses		(1)	(66)	(5)	(230)
Finance costs		-	-	-	-
<b>Profit/(Loss) before tax</b>		<b>27</b>	<b>30</b>	<b>(891)</b>	<b>77</b>
Taxation	B5	-	-	-	-
<b>profit/(Loss) for the period</b>		<b>27</b>	<b>30</b>	<b>(891)</b>	<b>77</b>
<b>Profit/(Loss) per share attributable to ordinary equity holders of the Company (sen)</b>					
Basic	B13	0.02	0.02	(0.70)	0.06
Diluted	B13	-	-	-	-

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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 2013

	Note	As at 30 April 2013 unaudited RM'000	As at 31 Jul 2012 audited RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Intangible assets		3,702	3,142
Property, plant and equipment	A11	25	13
		<b>3,727</b>	<b>3,155</b>
<b>Current Assets</b>			
Inventories		1	1
Trade receivables		2,560	4,187
Other receivables, deposits and prepayments		1,319	1,291
Cash and bank balances		205	154
		<b>4,085</b>	<b>5,633</b>
<b>TOTAL ASSETS</b>		<b>7,811</b>	<b>8,788</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to Equity Holders of the Company</b>			
Share capital		12,645	12,645
Share premium		8,658	8,658
Share option reserve	A7	-	-
Accumulated losses		(14,730)	(13,839)
		<b>6,572</b>	<b>7,464</b>
<b>Non-Current Liability</b>			
Hire purchase payable	B9	-	-
<b>Current liabilities</b>			
Trade payables		200	200
Other payables and accruals		1,039	1,124
Hire purchase payable	B9	-	-
		<b>1,239</b>	<b>1,324</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,811</b>	<b>8,788</b>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>			
		0.0520	0.0590

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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 2013

	<i>Attributable to equity holders of the Company</i>			
	<i>Share capital</i>	<i>Share premium</i>	<i>Accu- mulated losses</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000
<b>At 1 August 2011</b> (audited)	11,495	8,658	(13,955)	6,198
Issued during the year - Share Capital	1,150			1,150
Profit for the period	-	-	(119)	(119)
<b>At 30 April 2011</b> (unaudited)	12,645	8,658	(14,074)	7,229
<b>At 1 August 2012</b> (audited)	12,645	8,658	(13,839)	7,464
Loss for the period	-	-	(891)	(891)
<b>At 30 April 2013</b> (unaudited)	12,645	8,658	(14,730)	6,573

*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 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 2013

	<i>Nine months ended</i>	
	<b>30 April 2013</b>	<b>30 April 2012</b>
	<i>unaudited</i>	<i>unaudited</i>
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) for the period</b>	(891)	77
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	5	871
Gain on disposal of property, plant and equipment	-	-
Amortisation of intangible assets	-	75
Net provision for warranty claims (written back)	-	-
Allowance for doubtful debts made/ (written back)	-	-
<b>Operating profit/(loss) before working capital changes</b>	(887)	1,023
Increase in Intangible assets	(560)	(1,288)
Purchase of property, plant and equipment	(17)	-
Decrease/(Increase) in inventories	-	-
Decrease/(Increase) in stock	-	(1)
Increase in trade receivables	1,627	(483)
Decrease/(Increase) in other receivables, deposits and prepayments	(28)	(3)
Decrease in trade payables	-	(21)
Increase/(decrease) in other payables and accruals	(85)	(39)
<b>Net cash generated from/(used in) operating activities</b>	51	(812)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Research & development expenditure	-	-
<b>Net cash generated from/(used in) investing activities</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in share capital	-	1,150
<b>Net cash generated from/(used in) financing activities</b>	-	1,150
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	51	338
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	154	343
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	205	681
<i>These comprise:-</i>		
Cash in hand	10	10
Bank balances	195	671
	205	681

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

#### **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 2012.

The Group has not early adopted any new or revised standards, amendments or IC Interpretations which are applicable to the Group that have been issued by the MASB but are not yet effective for the Group's current financial year ended 31 July 2012.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the acceptance of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 July 2013. In presenting its first MFRS financial statements, the Group will be required restate the financial position as at 1 August 2012 to amounts reflecting the application of MFRS Framework.

The change of the financial framework is not expected to have any significant impact of the financial position and performance of the Group and the Company.

#### **A3 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 July 2012 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.

#### **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: except for the changes in ordinary share capital as stated in note B8.



## Explanatory notes to the interim financial report

### A8 Dividends paid

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

### A9 Segmental information

#### (a) Operating segments

	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Elimina- tions</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Three months ended 30 April 2013</b>					
<b>Revenue</b>					
External customers	1,030	2	-	-	1,032
Inter-segment	-	-	-	-	-
Total revenue	<u>1,030</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>1,032</u>
<b>Results</b>					
Depreciation	(2)	-	-	-	(2)
Amortisation	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Share-based payments	-	-	-	-	-
Segment profit/(loss)	<u>25</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>27</u>
<b>Assets</b>					
Investment in subsidiaries	-	-	-	-	-
Additions to intangible assets	-	-	-	-	-
Amount due from holding company	-	-	-	-	-
Amount due from a subsidiary company	-	-	(10)	10	-
Amount due from related company	-	-	-	-	-
Segment assets	<u>3,571</u>	<u>5,047</u>	<u>4,603</u>	<u>(5,410)</u>	<u>7,811</u>
<b>Liabilities</b>					
Amount due to holding company	(10)	-	-	10	-
Amount due to related company	-	-	-	-	-
Amount due to a subsidiary company	-	-	-	-	-
Segment liabilities	<u>16,100</u>	<u>-</u>	<u>1,259</u>	<u>(16,120)</u>	<u>1,239</u>



## Explanatory notes to the interim financial report

### A9 Segmental information (continued)

#### (a) Operating segments

	<i>Development and sales of security, automation and surveillance</i>	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Three months ended 30 April 2012</b>						
<b>Revenue</b>						
External customers	-	1,250	3	-	-	1,253
Inter-segment	-	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>1,250</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>1,253</b>
<b>Results</b>						
Depreciation	(253)	-	-	-	-	(253)
Amortisation	(25)	-	-	-	-	(25)
Inventories written-down	-	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-
<b>Segment profit/(loss)</b>	<b>-</b>	<b>76</b>	<b>2</b>	<b>(48)</b>	<b>-</b>	<b>30</b>
<b>Assets</b>						
Investment in subsidiaries	-	-	-	1,000	(1,000)	-
Additions to intangible assets	-	469	-	-	-	469
Amount due from holding company	-	1,089	-	-	(1,089)	-
Amount due from a subsidiary company	-	1	-	3,327	(3,328)	-
Amount due from related company	-	2,522	-	-	(2,522)	-
<b>Segment assets</b>	<b>1,257</b>	<b>10,499</b>	<b>1</b>	<b>4,795</b>	<b>(7,940)</b>	<b>8,612</b>
<b>Liabilities</b>						
Amount due to holding company	-	11,472	-	-	(11,472)	-
Amount due to related company	-	2,522	-	-	(2,522)	-
Amount due to a subsidiary company	-	1	-	1,089	(1,090)	-
<b>Segment liabilities</b>	<b>-</b>	<b>14,891</b>	<b>-</b>	<b>1,378</b>	<b>(15,081)</b>	<b>1,188</b>





## Explanatory notes to the interim financial report

### A9 Segmental information

#### (a) Operating segments

	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Elimina- tions</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Nine months ended 30 April 2013</b>					
<b>Revenue</b>					
External customers	2,100	12	-	-	2,112
Inter-segment	-	-	-	-	-
Total revenue	<u>2,100</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>2,112</u>
<b>Results</b>					
Depreciation	(5)	-	-	-	(5)
Amortisation	-	-	-	-	-
Inventories written-down	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-
Segment profit/(loss)	<u>(831)</u>	<u>12</u>	<u>(72)</u>	<u>-</u>	<u>(891)</u>
<b>Assets</b>					
Investment in subsidiaries	-	-	-	-	-
Additions to intangible assets	560	-	-	-	560
Amount due from holding company	902	-	-	(902)	-
Amount due from a subsidiary company	-	-	3,493	(3,493)	-
Amount due from related company	-	-	1,014	(1,014)	-
Segment assets	<u>3,571</u>	<u>5,047</u>	<u>4,603</u>	<u>(5,410)</u>	<u>7,811</u>
<b>Liabilities</b>					
Amount due to holding company	11,619	-	-	(11,619)	-
Amount due to related company	3,602	-	-	(3,602)	-
Amount due to a subsidiary company	-	-	902	(902)	-
Segment liabilities	<u>16,100</u>	<u>-</u>	<u>1,259</u>	<u>(16,120)</u>	<u>1,239</u>



## Explanatory notes to the interim financial report

### A9 Segmental information

#### (a) Operating segments

	<i>Development and sales of security, automation and surveillance</i>	<i>Software development and system integration</i>	<i>Sales of Books</i>	<i>Corporate</i>	<i>Eliminations</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Nine months ended 30 April 2012</b>						
<b>Revenue</b>						
External customers	-	3,351	3	-	-	3,354
Inter-segment	-	-	-	-	-	-
<b>Total revenue</b>		<b>3,351</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3,354</b>
<b>Results</b>						
Depreciation	(871)		-	-	-	(871)
Amortisation	(75)		-	-	-	(75)
Inventories written-down	-	-	-	-	-	-
Provision for warranty claims	-	-	-	-	-	-
<b>Segment profit/(loss)</b>		<b>178</b>	<b>2</b>	<b>(103)</b>	<b>-</b>	<b>77</b>
<b>Assets</b>						
Investment in subsidiaries		-	-	1,000	(1,000)	-
Additions to intangible assets	-	1,288	-	-	-	1,288
Amount due from holding company		1,089			(1,089)	
Amount due from a subsidiary company	-	1	-	3,327	(3,328)	-
Amount due from related company	-	2,522	-	-	(2,522)	-
<b>Segment assets</b>	<b>1,257</b>	<b>10,499</b>	<b>1</b>	<b>4,795</b>	<b>(7,940)</b>	<b>8,612</b>
<b>Liabilities</b>						
Amount due to holding company	-	11,472	-	-	(11,472)	-
Amount due to related company	-	2,522	-	-	(2,522)	-
Amount due to a subsidiary company	-	1	-	1,089	(1,090)	-
<b>Segment liabilities</b>	<b>-</b>	<b>14,891</b>	<b>-</b>	<b>1,378</b>	<b>(15,081)</b>	<b>1,188</b>



## Explanatory notes to the interim financial report

### (b) Geographical information

	Non-current assets			Current asset	
	Revenue	Profit/(Loss) before taxation	Property, plant and equipment	Intangible assets	Trade receivables
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Three months ended 30 April 2013</b>					
Malaysia	1,032	27	17	-	1,030
<b>Three months ended 30 April 2012</b>					
Malaysia	1,253	30	(253)	394	636
<b>Nine months ended 30 April 2013</b>					
Malaysia	2,112	(891)	25	3,702	2,560
<b>Nine months ended 30 April 2012</b>					
Malaysia	3,354	77	(871)	1,213	483

#### A10 Payment in lieu of short notice

Payment by employee of a sum equivalent to one (1) month salary in lieu of short notice.

#### A11 Carrying value of revalued assets

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

#### A12 Changes in the composition of the Group

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

#### A13 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.

#### A14 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 2012.



## Explanatory notes to the interim financial report

### A15 Significant related party transactions

On 1st October 2011, the Group via its subsidiaries ASSB, received a Contract from eNCoral Digital Solutions Sdn Bhd (EDSSB) for the software development work.

Significant transactions between related parties and the Group as at balance sheet date are as follows:

#### Revenue

	Three months ended		Nine months ended	
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
	RM	RM	RM	RM
Fees on software development in progress receivable from EDSSB	<u>1,030.00</u>	<u>1,250</u>	<u>2,060.00</u>	<u>3,350</u>

### A16 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 ("FY13Q3"), the Group registered a pre-tax profit of RM0.027 million on sales turnover of RM1.032 million. For financial year-to-date, consolidated loss before tax is RM0.891 million on sales of RM2.112 million.

#### **B2 Material change in profit/(loss) before tax**

	<i>Current quarter ended 30 Apr 2013</i>	<i>Preceding quarter ended 31 Jan 2013</i>
	RM'000	RM'000
Revenue	1,032	1,072
Profit/(Loss) before taxation	27	23

In comparison, the preceding quarter ("FY13Q2") recorded a pre-tax profit of RM0.023 million on a sales turnover of RM1.072 million. For FY13Q3 there were no changes in selling and marketing expenses. Administrative expenses which includes staff salaries were higher for FY13Q3 at +RM1.008 million (FY13Q2: RM1.046million).

Other individual items of expenditure for FY13Q2 compared to FY13Q1 include depreciation on property, plant and equipment of RM0.005 million (FY12Q3: RM0.253 million)

#### **B3 Prospects**

In light of the Group's disappointing revenue and earnings performance in the immediately 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 improved results for the succeeding financial year ending 31 July 2013.

#### **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.

#### **B7 Quoted securities**

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



## Explanatory notes to the interim financial report

### B8 Corporate proposals

As of the additional listing of and quotation for up to 11,495,000 new ordinary shares of RM0.10 each in INIX ("Placement Shares") on the ACE Market of the Bursa Malaysia Securities Berhad, the Company has exercised the private placement which were fully subscribed at an issue price of RM0.10 per share. These exercises were completed and were subsequently issued and allotted to the investors on 23 March 2012;

Other than the above, there were no corporate proposals announced for the current quarter.

The gross proceeds raised from the Public Issue of RM1.150 million is expected to be utilised for the financial year ending 31st July 2012 in the following manner:

Purpose	Utilisation of proceeds
	RM'000
Working Capital	1,119.50
Listing Expenses	30.00
<b>TOTAL</b>	<b>1,149.50</b>

All proceeds raised were received by ITHB on 30th March 2012.

### 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.

### 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 April 2013</i>	<i>30 April 2012</i>	<i>30 April 2013</i>	<i>30 April 2012</i>
<b>Basic:</b>				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	27	30	(891)	77
Weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
<i>Basic earnings/(loss) per ordinary share (sen)</i>	0.02	0.02	(0.70)	0.06
<b>Diluted:</b>				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	27	30	(891)	77
Weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
Number of shares issuable under ESOS ('000)	-	-	-	-
Number of shares that would have been issued at fair value ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	126,445	126,445	126,445	126,445
<i>Diluted earnings/(loss) per ordinary share (sen)</i>	N/A	N/A	N/A	N/A

### 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 20th June 2013.