

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**

Interim financial report on results for the quarter ended 31 March 2013.

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED	PRECEDING YEAR CORRESPONDING QUARTER UNAUDITED	03 MONTHS ENDED UNAUDITED UNAUDITED	
	31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
Revenue	7,396	10,423	7,396	10,423
Cost of revenue	(3,936)	(6,771)	(3,936)	(6,771)
Gross profit	3,460	3,652	3,460	3,652
Other income	68	35	68	35
Research & development expenses	(434)	(530)	(434)	(530)
Administration and other expenses	(1,556)	(1,279)	(1,556)	(1,279)
Finance costs	(132)	(52)	(132)	(52)
<b>Profit before tax</b>	1,406	1,826	1,406	1,826
Tax expense	(385)	(502)	(385)	(502)
<b>Profit for the period/year</b>	1,021	1,324	1,021	1,324
Other comprehensive income/(loss)	-	-	-	-
<b>Total comprehensive income for the period/year</b>	1,021	1,324	1,021	1,324
Attributable to:				
Equity holders of the Company	1,021	1,324	1,021	1,324

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME –  
(continued)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED	PRECEDING YEAR CORRESPONDING QUARTER UNAUDITED	03 MONTHS ENDED UNAUDITED	
	31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000

**EARNINGS PER SHARE**

Ordinary shares of RM0.10 each :-

Basic (sen)	0.46	0.59	0.46	0.59
Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 31.03.2013 RM'000</b>	<b>AUDITED AS AT 31.12.2012 RM'000</b>
<b>ASSETS</b>		
Non-current assets		
Property, plant & equipment	27,674	27,370
Development expenditure	398	318
Fixed deposits	4,798	4,761
	-----	-----
	32,870	32,449
	-----	-----
Current assets		
Inventories	11,144	10,293
Trade receivables	7,083	4,934
Other receivables, deposits & prepayments	995	728
Short term investment	6,575	1,504
Cash & bank balances	3,345	2,836
	-----	-----
	29,142	20,295
	-----	-----
Total assets	62,012	52,744
	=====	=====
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders		
Share capital	22,342	22,342
Share premium	5,917	5,917
Retained earnings	6,573	5,552
	-----	-----
Total equity	34,832	33,811
	-----	-----

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
– (Continued)

	<b>UNAUDITED AS AT 31.03.2013 RM'000</b>	<b>AUDITED AS AT 31.12.2012 RM'000</b>
Non-current liabilities		
Finance lease payables	942	1,090
Term loans	6,831	4,028
Deferred tax liability	3,315	2,970
	-----	-----
	11,088	8,088
	-----	-----
Current liabilities		
Trade payables	1,360	1,965
Other payables & accruals	6,903	3,513
Finance lease payables	691	709
Term loans	1,980	822
Bankers' acceptance	4,979	3,690
Post-employment benefit obligations	179	146
	-----	-----
	16,092	10,845
	-----	-----
Total liabilities	27,180	18,933
	-----	-----
Total equity and liabilities	62,012	52,744
	=====	=====
Net assets per share attributable to ordinary equity holders of the Company (sen)	15.59	15.13
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Attributable to Equity</b>			<b>Total Equity RM'000</b>
	<b>----- Holders of the Company -----</b>			
	Non-distributable		Distributable	
	<b>Share Capital RM'000</b>	<b>Share Premium RM'000</b>	<b>Retained Earnings RM'000</b>	
As at 1 January 2013	22,342	5,917	5,552	33,811
Profit for the year, represents total comprehensive income for the year	-	-	1,021	1,021
As at 31 March 2013	22,342	5,917	6,573	34,832
As at 1 January 2012	22,342	5,917	4,481	32,740
Profit for the year, represents total comprehensive income for the year	-	-	1,324	1,324
As at 31 March 2012	22,342	5,917	5,805	34,064

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>03 MONTHS ENDED</b>	
	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash flows from operating activities		
Profit before tax	1,406	1,826
Adjustments for:-		
Depreciation	1,112	1,007
Gain on disposal of property, plant & equipment	(3)	-
Interest expenses	203	113
Interest income	(65)	(38)
	-----	-----
Operating profit before working capital changes	2,653	2,908
Inventories	(851)	2,478
Receivables, deposits and prepayments	(2,416)	(3,839)
Payables	2,817	3,894
	-----	-----
Cash generated from operations	2,203	5,441
Interest paid	(203)	(113)
Interest received	65	38
Tax paid	(40)	(2)
	-----	-----
Net cash from operating activities	2,025	5,364
	-----	-----
Cash flows from investing activities		
Purchase of property, plant & equipment	(1,416)	(3,512)
Development expenditure paid	(80)	(81)
Proceeds from disposal of property, plant & equipment	3	-
	-----	-----
Net cash used in investing activities	(1,493)	(3,593)
	-----	-----

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW - Continued**

	<b>03 MONTHS ENDED</b>	
	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash flows from financing activities		
Placement of short term investment	(5,071)	(956)
Placement of fixed deposits under lien	(37)	(29)
Proceeds from borrowings	6,972	2,618
Repayment of borrowings	(1,722)	(1,649)
Repayment of finance lease payables	(165)	(310)
	-----	-----
Net cash used in financing activities	(23)	(326)
	-----	-----
Net changes in cash and cash equivalents	509	1,445
Cash and cash equivalents brought forward	2,836	1,560
	-----	-----
Cash and cash equivalents carried forward	3,345	3,005
	=====	=====
Cash and cash equivalents comprise:-		
Fixed deposits	4,798	3,863
Cash & bank balances	3,345	3,005
Bank overdrafts	-	-
	-----	-----
	8,143	6,868
Less : Fixed deposits under lien	(4,798)	(3,863)
	-----	-----
	3,345	3,005
	=====	=====

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :-**

**Disclosure requirements per FRS 134 - paragraph 16**

**A1. Accounting Policies and Methods of Computation**

The quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the audited condensed consolidated financial statements.

The significant accounting policies and methods adopted for the audited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2012.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 January 2013 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

MFRS 10	Consolidated Financial Statements (effective from 1 January 2013)
MFRS 12	Disclosure of Interests in Other Entities (effective from 1 January 2013)
MFRS 13	Fair Value Measurement (effective from 1 January 2013)
MFRS 119	Employee Benefits (effective from 1 January 2013)
MFRS 127	Separate Financial Statements (effective from 1 January 2013)
Amendments to MFRS 7	Financial Instruments: Disclosures (effective from 1 January 2013)
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income (effective from 1 July 2012)
Annual Improvements to MFRS 2009 – 2011 Cycle	(effective from 1 January 2013)
Amendments to MFRS 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (effective from 1 January 2013)

The Group did not early adopt the following standards that have been issued by the Malaysian Accounting Standards Board as these are effective for financial period beginning on or after 1 January 2014:

MFRS 9	Financial Instruments (effective from 1 January 2015)
Amendments to MFRS 132	Financial Instruments: Presentation (effective from 1 January 2014)



**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A2. Qualification of Financial Statements**

The Auditors' Report on the financial statements of the Group for the year ended 31 December 2012 was not subject to any qualification.

**A3. Seasonality or Cyclicity of Operations**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**A4. Exceptional or Unusual Items**

During the current financial quarter, there was no item of exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

**A5. Changes in Estimates of Amounts Reported**

There was no change in estimate of amount reported that has a material effect in the current financial quarter under review.

**A6. Changes in Debt Securities and Equity Securities**

During the current financial quarter, there were no issuances, cancellation, repurchase, resale and repayment of debt securities and equity securities.

**A7. Dividend paid**

No dividend has been paid during the current quarter under review.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A8. Segmental Reporting**

	<b>Efficient Service Machine (ESM) RM'000</b>	<b>Software Solution and Services RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>03 months ended 31 March 13</b>				
External sales	896	6,500	-	7,396
Intersegment transactions	-	-	-	-
Total revenue	<u>896</u>	<u>6,500</u>	<u>-</u>	<u>7,396</u>
Segment results	110	3,350	-	3,460
Unallocated other income				68
Unallocated operating expenses				<u>(2,122)</u>
Profit before tax				<u>1,406</u>
<b>03 months ended 31 March 12</b>				
External sales	5,555	4,868	-	10,423
Intersegment transactions	-	-	-	-
Total revenue	<u>5,555</u>	<u>4,868</u>	<u>-</u>	<u>10,423</u>
Segment results	1,792	1,860	-	3,652
Unallocated other income				35
Unallocated operating expenses				<u>(1,861)</u>
Profit before tax				<u>1,826</u>

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A9. Material Events Subsequent to the End of the Current Quarter**

There were no other material events subsequent to the end of the current financial quarter up to the date of this announcement.

**A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group subsequent to the end of the current financial quarter up to the date of this announcement.

**A11. Changes in Contingent Liabilities or Contingent Assets**

There was no significant change in the contingent liabilities of the Group since the last financial year ended 31 December 2012.

**A12. Material Capital Commitments**

There were no capital commitments of the Group in the quarterly report ended 31 March 2013.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

Disclosure requirements required by the Listing Requirements of Bursa Securities for the ACE Market

**B1. Group's Review of Performance**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED 31.03.2013 RM'000	PRECEDING YEAR	03 MONTHS ENDED	
		CORRESPONDING	UNAUDITED	UNAUDITED
		QUARTER UNAUDITED 31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
Revenue	7,396	10,423	7,396	10,423
Profit before tax	1,406	1,826	1,406	1,826

The Group's revenue was lower at RM7.396 million for the first quarter ended 31 March 2013 as compared to RM10.423 million for the corresponding quarter of the preceding year ended 31 March 2012. This was mainly due to the lower revenue from the sales of the Efficient Services Machines (ESM). As a result, the profit before tax decreased from RM1.826 million to RM1.406 million.

**B2. Group's Comparison with Preceding Quarter**

	03 MONTHS ENDED	
	UNAUDITED 31.03.2013 RM'000	UNAUDITED 31.12.2012 RM'000
Revenue	7,396	8,547
Profit before tax	1,406	1,945

The lower revenue of RM7.396 million for the current quarter ended 31 March 2013 as compared to RM8.547 million for the preceding quarter ended 31 December 2012 is mainly due to the decrease in sales of the Efficient Service Machines (ESM). We recorded a lower profit before tax of RM1.406 million for the quarter ended 31 March 2013 compared to the profit before tax of RM1.945 million for the preceding quarter ended 31 December 2012 due to the lower gross margins from the sales of the ESM.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B3. Prospects**

OpenSys expects that, barring any unforeseen circumstances, the performance of the Group will continue to be satisfactory in the financial year ending 31 December 2013.

**B4. Profit Forecast**

No profit forecast was announced; hence there is no comparison between actual results and forecast.

**B5. Group's Tax Expense**

Tax expense comprises the following :-

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED 31.03.2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER UNAUDITED 31.03.2012 RM'000	03 MONTHS ENDED UNAUDITED AUDITED 31.03.2013 31.03.2012 RM'000 RM'000	
Income tax charge for the current period	40	2	40	2
Deferred tax	345	500	345	500
	----- 385 =====	----- 502 =====	----- 385 =====	----- 502 =====

The higher effective tax rate of the Group as compared to the Malaysia statutory income tax rate for the current financial quarter and financial year to date is mainly due to non tax deductibility of certain expenses incurred by the Group.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B6. Profit for the period**

	<b>Current Quarter 31.03.2013 RM'000</b>	<b>Year to date 31.03.2013 RM'000</b>
Interest income	(65)	(65)
Interest expenses	203	203
Depreciation	1,112	1,112
(Gain)/loss on disposal of property, plant & equipments	(3)	(3)
Foreign exchange (gain)/loss	*	*
	=====	=====

\* Representing less than RM1,000

Other than the above items, there were no other income including investment income, write off of receivables, allowance for impairment and write off of inventories, gain or loss on disposal of quoted or unquoted investment properties, impairment of assets, gain or loss on derivatives and exceptional items for the current financial quarterly and financial year to date.

**B7. Corporate Proposals**

There are no corporate proposals announced by the Group as at the date of this announcement.

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B8. Group's Borrowings**

The breakdown of the borrowings is set out below:-

	<b>UNAUDITED AS AT 31.03.2013 RM'000</b>	<b>AUDITED AS AT 31.12.2012 RM'000</b>
<b>Secured short-term borrowings</b>		
Finance lease payables	691	709
Term loans	1,980	822
Bankers' acceptance	4,979	3,690
	----- 7,650 -----	----- 5,221 -----
<b>Secured long-term borrowings</b>		
Finance lease payables	942	1,090
Term loans	6,831	4,028
	----- 7,773 -----	----- 5,118 -----
Total borrowings	----- 15,423 =====	----- 10,339 =====

**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B9. Material Litigation**

There was no material litigation pending as at the date of this announcement.

**B10. Dividend**

The first interim tax-exempt dividend of 5% per ordinary share of 10 sen each amounting to RM1,117,100 was declared on 12 April 2013 and payable on 23 May 2013 in respect of the year ending 31 December 2013.

**B11. Group's Earnings Per Share**

(i) **Basic earnings per share**

The basic earnings per share of the Group have been computed by dividing the profit for the period by the number of ordinary shares of RM0.10 each in issue during the period.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	03 MONTHS ENDED	
	QUARTER	CORRESPONDING	UNAUDITED	UNAUDITED
	UNAUDITED	QUARTER	UNAUDITED	UNAUDITED
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Profit for the period/year (RM'000)	1,021	1,324	1,021	1,324
Number of ordinary shares ('000)	223,420	223,420	223,420	223,420
<b>Ordinary shares of RM0.10 each :-</b>				
Basic earnings per share (Sen)	0.46	0.59	0.46	0.59



**OPENSYS (M) BERHAD (Company No. 369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B11. Group's Earnings Per Share (Continued)**

(ii) **Diluted earnings per share**

Not applicable.

**B12. Group's Retained Earnings**

	<b>UNAUDITED AS AT 31.03.2013 RM'000</b>	<b>AUDITED AS AT 31.12.2012 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- Realised	9,925	8,485
- Unrealised	(3,315)	(2,970)
	-----	-----
	6,610	5,515
Less: Consolidation adjustments	37	37
	-----	-----
Total group retained earnings as per consolidated accounts	6,573	5,552
	=====	=====

By Order of the Board  
LIM SECK WAH  
Secretary  
Kuala Lumpur