

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

**UNAUDITED INTERIM FINANCIAL REPORT**

Interim financial report on results for the quarter ended 30 September 2018.

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED 30.09.2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER UNAUDITED 30.09.2017 RM'000 (Restated)	09 MONTHS ENDED UNAUDITED 30.09.2018 RM'000	UNAUDITED 30.09.2017 RM'000 (Restated)
Revenue	17,139	15,274	49,462	61,059
Cost of revenue	(10,456)	(9,898)	(30,369)	(46,719)
Gross profit	6,683	5,376	19,093	14,340
Other income	86	106	400	264
Research & development expenses	(662)	(582)	(1,986)	(1,753)
Administration and other expenses	(2,696)	(2,438)	(7,924)	(7,523)
Finance costs	(240)	(299)	(712)	(851)
<b>Profit before tax</b>	3,171	2,163	8,871	4,477
Tax expense	(1,038)	(623)	(2,647)	(1,256)
<b>Total comprehensive income for the period</b>	2,133	1,540	6,224	3,221
Attributable to:				
Equity holders of the Company	2,118	1,540	6,209	3,221
Non-controlling interest	15	-	15	-
	2,133	1,540	6,224	3,221

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 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 COMPREHENSIVE INCOME –  
(continued)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	09 MONTHS ENDED	
	QUARTER	QUARTER	UNAUDITED	UNAUDITED
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)

**EARNINGS PER SHARE**

Basic earnings per share (sen)	0.72	0.52	2.09	1.08
	=====	=====	=====	=====
Diluted earnings per share (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 2017 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**

	<b>UNAUDITED AS AT 30.09.2018 RM'000</b>	<b>UNAUDITED AS AT 31.12.2017 RM'000 (Restated)</b>
<b>ASSETS</b>		
Non-current assets		
Property, plant & equipment	45,059	41,849
Development expenditure	65	183
Fixed deposits	7,770	7,591
	-----	-----
	52,894	49,623
	-----	-----
Current assets		
Inventories	14,050	9,017
Trade receivables	8,476	19,842
Other receivables, deposits & prepayments	2,477	1,904
Short term investment	6,554	2,993
Cash & bank balances	4,581	8,717
	-----	-----
	36,138	42,473
	-----	-----
Total assets	89,032	92,096
	=====	=====
<b>EQUITY AND LIABILITIES</b>		
Share capital	29,789	29,789
Retained earnings	24,408	21,162
	-----	-----
Equity attributable to equity holders	54,197	50,951
Non-controlling interest	14	-
	-----	-----
Total equity	54,211	50,951
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

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

	<b>UNAUDITED AS AT 30.09.2018 RM'000</b>	<b>UNAUDITED AS AT 31.12.2017 RM'000 (Restated)</b>
Non-current liabilities		
Finance lease payables	3,231	5,239
Term loans	7,130	7,453
Deferred tax liability	2,815	2,728
	----- 13,176 -----	----- 15,420 -----
Current liabilities		
Trade payables	2,617	7,538
Other payables & accruals	12,761	10,589
Finance lease payables	4,362	4,237
Term loans	444	448
Bankers' acceptance	628	2,466
Post-employment benefit obligations	244	225
Tax liability	589	222
	----- 21,645 -----	----- 25,725 -----
Total liabilities	----- 34,821 -----	----- 41,145 -----
Total equity and liabilities	=====	=====
Net assets per share attributable to ordinary equity holders of the Company (sen)	=====	=====
	18.20 =====	17.10 =====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 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**

	Attributable to Equity -----Holders of the Company-----		Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Non-distributable	Distributable			
	Share Capital RM'000	Retained Earnings RM'000			
As at 31 December 2017, as previously reported	29,789	21,583	51,372	-	51,372
Adjustment from adoption of MFRS 15	-	(421)	(421)	-	(421)
Restated balance as at 1 January 2018	29,789	21,162	50,951	-	50,951
Profit for the period, represents total comprehensive income for the period	-	6,209	6,209	15	6,224
Changes in equity interest in a subsidiary	-	16	16	(1)	15
Dividend	-	(2,979)	(2,979)	-	(2,979)
As at 30 September 2018	29,789	24,408	54,197	14	54,211

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
– (Continued)

	Attributable to Equity		Total Equity RM'000
	----- Holders of the Company -----		
	Non-distributable Share Capital RM'000	Distributable Retained Earnings RM'000	
As at 31 December 2016, as previously reported	29,789	17,847	47,636
Adjustments from adoption of MFRS 15	-	(343)	(343)
Restated balance as at 1 January 2017	29,789	17,504	47,293
Adjustments from adoption of MFRS 15	-	(20)	(20)
Profit for the period, represents total comprehensive income for the period	-	3,241	3,241
Dividend	-	(2,979)	(2,979)
Restated balance as at 30 September 2017	29,789	17,746	47,535

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 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 FLOWS**

	<b>09 MONTHS ENDED</b>	
	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>30.09.2018</b>	<b>30.09.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>(Restated)</b>
Cash flows from operating activities		
Profit before tax	8,871	4,477
Adjustments for:-		
Amortisation of development expenditure	117	117
Depreciation	4,491	4,476
Gain on disposal of property, plant & equipment	-	(61)
Property, plant & equipment written off	300	54
Interest expenses	749	1,000
Interest income	(414)	(262)
Unrealised forex gain	(2)	-
Loss on disposal of property, plant & equipment	-	13
	-----	-----
Operating profit before working capital changes	14,112	9,814
Changes in working capital:-		
Inventories	(5,141)	(254)
Receivables	10,792	7,638
Payables	(4,220)	(3,702)
	-----	-----
Cash generated from operations	15,543	13,496
Interest paid	(749)	(1,000)
Interest received	414	262
Tax paid	(2,193)	(1,473)
	-----	-----
Net cash from operating activities	13,015	11,285
	-----	-----
Cash flows from investing activities		
Disposal of equity interest in a subsidiary	15	-
Purchase of property, plant & equipment	(6,392)	(3,176)
Proceeds from disposal of property, plant & equipment	-	66
	-----	-----
Net cash used in investing activities	(6,377)	(3,110)
	-----	-----

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 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 FLOWS - Continued**

	<b>09 MONTHS ENDED</b>	
	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>30.09.2018</b>	<b>30.09.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>(Restated)</b>
Cash flows from financing activities		
Placement of short term investment	(3,561)	(7,013)
Placement of fixed deposits under lien	(179)	(2,138)
Proceeds from borrowings	1,994	12,344
Repayment of borrowings	(4,158)	(12,980)
Proceeds from finance lease liabilities	-	1,921
Repayment from finance lease liabilities	(3,383)	(3,646)
Dividend paid	(1,489)	(1,489)
	-----	-----
Net cash used in financing activities	(10,776)	(13,001)
	-----	-----
Net changes in cash and cash equivalents	(4,138)	(4,826)
Effects of exchange rate changes	2	-
Cash and cash equivalents brought forward	8,717	8,727
	-----	-----
Cash and cash equivalents carried forward	4,581	3,901
	=====	=====

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED INTERIM FINANCIAL REPORT**

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

**09 MONTHS ENDED**  
**UNAUDITED      UNAUDITED**  
**30.09.2018      30.09.2017**  
**RM'000            RM'000**  
**(Restated)**

NOTES TO THE STATEMENTS OF CASH FLOWS

i. Cash and cash equivalents comprise:-

Fixed deposits	7,770	7,535
Cash & bank balances	4,581	3,901
	-----	-----
	12,351	11,436
Less : Fixed deposits under lien	(7,770)	(7,535)
	-----	-----
	4,581	3,901
	=====	=====

ii. Analysis of acquisition of property, plant & equipment :-

Cash	6,392	3,176
Finance lease arrangement	1,500	8,479
Transfer from inventories	108	103
	-----	-----
	8,000	11,758
	=====	=====

iii. Reconciliation of liabilities arising from financing activities:-

	As at 01.01.2018	Principle and interest payments	Non-cash changes		As at 30.09.2018
	RM'000	RM'000	Drawdown RM'000	Interest expense RM'000	RM'000
Bank borrowings					
- Banker acceptance	2,466	(3,870)	1,994	38	628
- Finance lease	9,476	(3,820)	1,500	437	7,593
- Term loan	7,901	(598)	-	271	7,574
	-----	-----	-----	-----	-----
	19,843	(8,288)	3,494	746	15,795
	=====	=====	=====	=====	=====

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

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

**Notes :-**

**Disclosure requirements per MFRS 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 Standards (“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 2017 and the accompanying explanatory notes attached to the audited condensed consolidated financial statements.

The accounting policies and methods of computation adopted by the Group in unaudited condensed financial statements and unaudited interim financial report are consistent with those adopted in the latest audited financial statements for the financial year ended 31 December 2017.

The significant accounting policies and methods adopted for the unaudited condensed consolidated financial statement are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2017, except for changes arising from the adoption of MFRS 15 “Revenue from Contracts with Customers” as described below:

(a) Adoption of MFRS 15 “Revenue from contracts with customers”

The Group has adopted MFRS 15 in the current financial period. The core principle in MFRS 15 is that an entity recognised revenue to depict the transfer of promised goods and services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when a customer obtains control of good or services, i.e. when the customer has the ability to direct the use of and obtain the benefits from the goods or services.

The Group has assessed the estimated impact that the application of MFRS 15 will have on its consolidated financial statements. Comparatives for the financial statements have been reclassified and restated to conform to the current year’s presentation under MFRS 15.

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

- (b) Restatement of comparative figures  
(i) Reconciliation of profit or loss and comprehensive income.

	Quarter Ended 30.09.2017			Cumulative Period Ended 30.09.2017		
	Previously reported RM '000	Effects of MFRS 15 RM '000	Restated RM '000	Previously reported RM '000	Effects of MFRS 15 RM '000	Restated RM '000
Revenue	15,234	40	15,274	61,086	(27)	61,059
Cost of revenue	(9,898)	-	(9,898)	(46,719)	-	(46,719)
Gross profit	5,336	40	5,376	14,367	(27)	14,340
Other income	106	-	106	264	-	264
Research & development expenses	(582)	-	(582)	(1,753)	-	(1,753)
Administration and other expenses	(2,438)	-	(2,438)	(7,523)	-	(7,523)
Finance costs	(299)	-	(299)	(851)	-	(851)
Profit before tax	2,123	40	2,163	4,504	(27)	4,477
Tax expenses	(614)	(9)	(623)	(1,263)	7	(1,256)
Total comprehensive income for the period	1,509	31	1,540	3,241	(20)	3,221
Attribute to Equity holders of the Company	1,509	31	1,540	3,241	(20)	3,221

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

(ii) Reconciliation of statement of financial position

	Previously reported RM'000	As at 31.12.2017 Effects of MFRS 15 RM'000	Restated RM'000
<b>ASSETS</b>			
<u>Non-current assets</u>			
Property, plant & equipment	41,849	-	41,849
Development expenditure	183	-	183
Fixed deposits	7,591	-	7,591
	-----	-----	-----
	49,623	-	49,623
	-----	-----	-----
<u>Current assets</u>			
Inventories	9,017	-	9,017
Trade receivables	19,842	-	19,842
Other receivables, deposits & prepayments	1,904	-	1,904
Short term investment	2,993	-	2,993
Cash & bank balances	8,717	-	8,717
	-----	-----	-----
	42,473	-	42,473
	-----	-----	-----
Total assets	92,096	-	92,096
	=====	=====	=====
<b>EQUITY AND LIABILITIES</b>			
<u>Equity attributable to equity holders</u>			
Share capital	29,789	-	29,789
Retained earnings	21,583	(421)	21,162
	-----	-----	-----
Total equity	51,372	(421)	50,951
	-----	-----	-----
<u>Non-current liabilities</u>			
Finance lease payable	5,239	-	5,239
Term loans	7,453	-	7,453
Deferred tax liability	2,861	(133)	2,728
	-----	-----	-----
	15,553	(133)	15,420
	-----	-----	-----

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

	Previously reported RM'000	As at 31.12.2017 Effects of MFRS 15 RM'000	Restated RM'000
<u>Current liabilities</u>			
Trade payables	7,538	-	7,538
Other payables & accruals	10,035	554	10,589
Finance lease payables	4,237	-	4,237
Term loans	448	-	448
Bankers' acceptance	2,466	-	2,466
Post-employment benefit obligations	225	-	225
Tax liability	222	-	222
	-----	-----	-----
	25,171	554	25,725
	-----	-----	-----
Total liabilities	40,724	421	41,145
	-----	-----	-----
Total equity & liabilities	92,096	-	92,096
	=====	=====	=====

The Group did not early adopt the following standards that have been issued by the Malaysian Accounting Standards Board but are not effective for period beginning on 1 January 2019, but will be effective for later periods.

Effective for financial periods beginning on or after 1 January 2019

MFRS 16 Leases  
Annual improvement to MFRS Standards 2015-2017 Cycle

Effective date deferred

Amendments to MFRS 10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture  
Amendments to MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group is in the process of assessing the financial effect of these pronouncements upon their initial application.

**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 2017 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**

The first interim tax-exempt dividend of 0.5 sen per ordinary share amounting to RM1,489,460 was declared on 26 February 2018 and paid on 18 April 2018 in respect of the year ending 31 December 2018.

The second interim tax-exempt dividend of 0.5 sen per ordinary share amounting to RM1,489,460 was declared on 24 August 2018 and paid on 15 October 2018 in respect of the year ending 31 December 2018.

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

**Notes :- (continued)**

**A8. Segmental Reporting**

	<b>Hardware RM'000</b>	<b>Software Solutions and Services RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>3<sup>rd</sup> quarter ended 30 September 2018</b>				
External sales	6,715	10,424	-	17,139
Intersegment transactions	-	2,189	(2,189)	-
Total revenue	<u>6,715</u>	<u>12,613</u>	<u>(2,189)</u>	<u>17,139</u>
Segment results	1,717	4,966		6,683
Unallocated other income				86
Unallocated operating expenses				<u>(3,598)</u>
Profit before tax				<u>3,171</u>
<b>3<sup>rd</sup> quarter ended 30 September 2017 (Restated)</b>				
External sales	5,646	9,629	-	15,275
Intersegment transactions	-	-	-	-
Total revenue	<u>5,646</u>	<u>9,629</u>	<u>-</u>	<u>15,275</u>
Segment results	858	4,518		5,376
Unallocated other income				106
Unallocated operating expenses				<u>(3,319)</u>
Profit before tax				<u>2,163</u>
<b>09 months ended 30 September 2018</b>				
External sales	18,744	30,718	-	49,462
Intersegment transactions	-	2,189	(2,189)	-
Total revenue	<u>18,744</u>	<u>32,907</u>	<u>(2,189)</u>	<u>49,462</u>
Segment results	4,519	14,574		19,093
Unallocated other income				400
Unallocated operating expenses				<u>(10,622)</u>
Profit before tax				<u>8,871</u>
<b>09 months ended 30 September 2017 (Restated)</b>				
External sales	32,565	28,494	-	61,059
Intersegment transactions	-	-	-	-
Total revenue	<u>32,565</u>	<u>28,494</u>	<u>-</u>	<u>61,059</u>
Segment results	2,074	12,266		14,340
Unallocated other income				264
Unallocated operating expenses				<u>(10,127)</u>
Profit before tax				<u>4,477</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 during the period under review except for the following:

On 18 May 2018, the Board of Directors of OpenSys (M) Berhad ("the Company") announced that the Company disposed 15,000 ordinary shares equivalent to 15% of equity in OpenSys Technologies Sdn. Bhd. ("OTSB") to Nawahasu Sdn. Bhd. for a total cash consideration of RM15,000.00 ("the Disposal"). Upon the Disposal, Company has changed its equity participation in OTSB from a wholly-owned subsidiary to a 85% owned subsidiary.

**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 2017.

**A12. Material Capital Commitments**

**Group**  
**AS AT 30.09.2018**  
**RM'000**

**Capital expenditure in respect of property, plant & equipment  
not provided for :-**

Approved and contracted for

2,673

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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 30.09.2018 RM'000	Preceding Year Corresponding Quarter Unaudited 30.09.2017 RM'000 (Restated)	Change %	09 Months Ended Unaudited 30.09.2018 RM'000	09 Months Ended Unaudited 30.09.2017 RM'000 (Restated)	Change %
Revenue	17,139	15,274	12.2	49,462	61,059	(19.0)
Profit before tax	3,171	2,163	46.6	8,871	4,477	98.1

For the 3<sup>rd</sup> quarter ended 30 September 2018, the Group recorded revenue of RM17.14 million, an increase of 12.2% or RM1.87 million from RM15.27 million for the corresponding quarter of the preceding year. This was mainly due to the higher revenue achieved from the roll-out of the Cash Recycling Machine (CRM) and maintenance revenue for the current quarter.

The Group posted a profit before tax of RM3.17 million, an increase of 46.6% or RM1.01 million for the current quarter as compared to RM2.16 million in the corresponding quarter of the preceding year. The better performance for the current quarter compared to the corresponding period was mainly attributed to improved revenue and higher gross margin arising from CRM and maintenance revenue.

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

Notes :- (continued)

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

	<b>03 MONTHS ENDED</b>		
	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>CHANGE</b>
	<b>30.09.2018</b>	<b>30.06.2018</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	17,139	15,094	13.5
Profit before tax	3,171	3,027	4.8
	=====	=====	=====

For the current quarter ended 30 September 2018, the Group recorded revenue of RM17.14 million as compared to RM15.09 million in the preceding quarter ended 30 June 2018. The improved revenue of 13.5% was mainly driven by higher revenue achieved for the roll-out of the Cash Recycling Machine (CRM).

The Group posted a higher profit before tax of RM3.17 million for the current quarter as compared to the profit before tax of RM3.03 million in the immediate preceding quarter.

**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 2018.

**B4. Profit Forecast**

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

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(Incorporated in Malaysia)

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

Notes :- (continued)

**B5. Group's Tax Expense**

Tax expense comprises the following:-

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED 30.09.2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER UNAUDITED 30.09.2017 RM'000 (Restated)	09 MONTHS ENDED UNAUDITED 30.09.2018 RM'000	UNAUDITED 30.09.2017 RM'000 (Restated)
Current year	961	614	2,496	1,360
Prior year	64	-	64	-
Deferred tax	13	9	87	(104)
	----- 1,038 =====	----- 623 =====	----- 2,647 =====	----- 1,256 =====

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.

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(Incorporated in Malaysia)

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

Notes :- (continued)

**B6. Profit for the period**

	<b>Current Quarter 30.09.2018 RM'000</b>	<b>Year to date 30.09.2018 RM'000</b>
Interest income	(136)	(414)
Interest expenses	245	749
Amortisation	39	117
Depreciation	1,525	4,491
Property, plant & equipment written off	136	300
Realised foreign exchange loss	52	17
Unrealised foreign exchange gain	(2)	(2)
	=====	=====

Other than the above items, there were no other income including investment income, write off of receivables, allowance for impairment, 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.

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(Incorporated in Malaysia)

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

Notes :- (continued)

**B8. Group's Borrowings**

The breakdown of the borrowings is set out below:-

	<b>UNAUDITED AS AT 30.09.2018 RM'000</b>	<b>UNAUDITED AS AT 31.12.2017 RM'000 (Restated)</b>
<b>Secured short-term borrowings</b>		
Finance lease payables	4,362	4,237
Term loans	444	448
Bankers' acceptance	628	2,466
	----- 5,434 -----	----- 7,151 -----
<b>Secured long-term borrowings</b>		
Finance lease payables	3,231	5,239
Term loans	7,130	7,453
	----- 10,361 -----	----- 12,692 -----
Total borrowings	=====	=====

**B9. Material Litigation**

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

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(Incorporated in Malaysia)

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

Notes :- (continued)

**B10. Dividend**

The first interim tax-exempt dividend of 0.5 sen per ordinary share amounting to RM1,489,460 was declared on 26 February 2018 and paid on 18 April 2018 in respect of the year ending 31 December 2018.

The second interim tax-exempt dividend of 0.5 sen per ordinary share amounting to RM1,489,460 was declared on 24 August 2018 and paid on 15 October 2018 in respect of the year ending 31 December 2018.

The third interim tax-exempt dividend of 0.25 sen per ordinary share amounting to RM744,730 was declared on 26 November 2018 and will be paid on 07 January 2019 in respect of the year ending 31 December 2018.

**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 in issue during the period.

	INDIVIDUAL PERIOD PRECEDING YEAR		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER UNAUDITED 30.09.2018	CORRESPONDING QUARTER UNAUDITED 30.09.2017 (Restated)	09 MONTHS ENDED UNAUDITED 30.09.2018	UNAUDITED 30.09.2017 (Restated)
Profit for the period (RM'000)	2,133	1,540	6,224	3,221
Number of ordinary shares ('000)	297,892	297,892	297,892	297,892
Basic earnings per share (sen)	0.72	0.52	2.09	1.08

**(ii) Diluted earnings per share**

Not applicable.

By Order of the Board  
LIM SECK WAH  
Secretary  
Kuala Lumpur