

# VisDynamicsHoldings Berhad

(Company No: 677095-M)

Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX (6) MONTHS YEAR ENDED 30 APRIL 2012

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30 APRIL 2012 RM'000 (Unaudited)	PRECEDING YEAR QUARTER ENDED 30 APRIL 2011 RM'000 (Unaudited)	CURRENT YEAR SIX (6) MONTHS CUMULATIVE TO-DATE 30 APRIL 2012 RM'000 (Unaudited)	PRECEDING YEAR SIX (6) MONTHS CUMULATIVE TO-DATE 30 APRIL 2011 RM'000 (audited)
Revenue	776	4,425	2,140	8,885
Cost of Sales	(592)	(2,441)	(1,251)	(4,602)
<b>Gross Profit</b>	<b>184</b>	<b>1,985</b>	<b>889</b>	<b>4,283</b>
Other Operating Income	36	13	63	18
Human Resource Related Expenses	(695)	(607)	(1,362)	(1,139)
Administrative Expenses	(148)	(58)	(197)	(183)
Logistic Expenses	(13)	(15)	(20)	(39)
Selling and Distribution Expenses	(17)	(488)	(40)	(608)
Research and Development	98	(32)	69	(130)
Other Operating Expenses	(127)	(355)	(358)	(617)
<b>(Loss)/Profit From Operations</b>	<b>(682)</b>	<b>443</b>	<b>(956)</b>	<b>1,586</b>
Finance Cost	(13)	(33)	(27)	(94)
<b>(Loss)/Profit Before Taxation</b>	<b>(695)</b>	<b>410</b>	<b>(983)</b>	<b>1,492</b>
Taxation	-	-	-	-
<b>(Loss)/Profit For The Period</b>	<b>(695)</b>	<b>410</b>	<b>(983)</b>	<b>1,492</b>
<b>Attributable to:</b>				
Equity holders of the parent	(695)	410	(983)	1,492
Minority Interest	-	-	-	-
<b>Net (Loss)/Profit For The Period</b>	<b>(695)</b>	<b>410</b>	<b>(983)</b>	<b>1,492</b>
<b>(Loss)/Profit Per Share</b>				
<b>(i) Basic (sen)</b>	<b>(0.69)</b>	<b>0.61</b>	<b>(0.98)</b>	<b>2.22</b>
<b>(ii) Fully diluted (sen)</b>	<b>(0.69)</b>	<b>0.61</b>	<b>(0.98)</b>	<b>2.22</b>

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial statements)

# VisDynamicsHoldings Berhad

(Company No: 677095-M)  
Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 APRIL 2012

	Unaudited As At 30 APRIL 2012 RM'000	Audited As At 31 OCTOBER 2011 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5,709	5,850
Development expenditure	564	294
Goodwill on consolidation	1,576	1,576
Intangible Assets	50	53
Deferred tax asset	83	83
<b>Total Non-Current Assets</b>	<b>7,982</b>	<b>7,856</b>
<b>CURRENT ASSETS</b>		
Inventories	7,471	5,760
Trade receivables	1,358	2,405
Other receivables, deposits and prepayments	45	143
Fixed deposit	3,812	5,613
Cash and bank balances	1,458	938
<b>Total Current Assets</b>	<b>14,144</b>	<b>14,859</b>
<b>TOTAL ASSETS</b>	<b>22,126</b>	<b>22,715</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Ordinary share capital	10,070	10,070
Share Premium	2,823	2,823
Equity Compensation Reserve	2,014	2,014
Retained profits	3,213	4,196
<b>Equity attributable to equity holders of the parent</b>	<b>18,120</b>	<b>19,103</b>
Minority interests	-	-
<b>TOTAL EQUITY</b>	<b>18,120</b>	<b>19,103</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	317	499
<b>Total Non-Current Liabilities</b>	<b>317</b>	<b>499</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	2,178	592
Other payables and accruals	1,117	1,692
Borrowings	394	829
<b>Total Current Liabilities</b>	<b>3,689</b>	<b>3,113</b>
<b>TOTAL LIABILITIES</b>	<b>4,006</b>	<b>3,612</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,126</b>	<b>22,715</b>
Net assets value per share (RM)	0.18	0.19

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial statements)

# **VDynamicsHoldings Berhad**

(Company No: 677095-M)

*Incorporated in Malaysia*

## **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL YEAR ENDED 30 APRIL 2012**

(The figures have not been audited)

	<b>Share Capital</b>	<b>Share Premium</b>	<b>Share Option Reserve</b>	<b>Warrant Reserve</b>	<b>Retained Profits</b>	<b>Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>As At 31 October 2010</b>	<b>6,709</b>	<b>8,169</b>	<b>66</b>	<b>-</b>	<b>2,502</b>	<b>17,446</b>
Net Profit For The Period	-	-	-	-	2,029	2,029
Exercise of ESOS	4	26	-	-	-	30
Dividend paid during the period	-	-	-	-	(335)	(335)
Employees' Share Option Scheme Cost	-	-	(66)	-	-	(66)
Issuance of Bonus Issue	3,357	(3,357)	-	-	-	(0)
Issuance of Warrant	-	(2,015)	-	2,014	-	(1)
<b>As At 31 October 2011</b>	<b>10,070</b>	<b>2,823</b>	<b>-</b>	<b>2,014</b>	<b>4,196</b>	<b>19,103</b>
Net Loss For The Period	-	-	-	-	(983)	(983)
<b>As At 30 April 2012</b>	<b>10,070</b>	<b>2,823</b>	<b>-</b>	<b>2,014</b>	<b>3,213</b>	<b>18,120</b>

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial statements)

# VisDynamicsHoldings Berhad

(Company No: 677095-M)

Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE 6 MONTHS FINANCIAL YEAR ENDED 30 APRIL 2012

	SIX (6) MONTHS CUMULATIVE TO-DATE 30 APRIL 2012 (Unaudited)	SIX (6) MONTHS CUMULATIVE TO-DATE 30 APRIL 2011 (audited)
	RM'000	RM'000
<b>NET LOSS BEFORE TAXATION</b>	<b>(983)</b>	<b>1,492</b>
Adjustment for:-		
Depreciation of property, plant and equipment	309	349
Amortisation of development expenditure	11	11
Amortisation of Trademarks and Patents	3	3
(Reversal)/Addition of provision and accruals	(596)	(1,016)
Development expenditure transferred to income statement	-	-
Loss on foreign exchange - unrealised	66	186
Profit on disposal of fixed asset	2	-
Interest income	(63)	(18)
Interest expenses	18	83
<b>Operating profit before working capital changes</b>	<b>(1,233)</b>	<b>1,089</b>
(Increase)/Decrease in inventories	(1,710)	233
Decrease in trade and other receivables	1,107	4,780
Increase/(Decrease) in trade and other payables	1,598	(2,300)
<b>Cash generated from operations</b>	<b>(238)</b>	<b>3,803</b>
Interest paid	(18)	(83)
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>	<b>(256)</b>	<b>3,720</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Payment for development expenditure	(281)	(87)
Interest received	63	18
Proceed from disposal of fixed asset	2	-
Purchase of property, plant and equipment	(171)	(38)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(387)</b>	<b>(107)</b>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Drawdown of banker acceptance	-	3,670
Repayment of term loan	(156)	(151)
Repayment of banker acceptance	(438)	(3,768)
Repayment of HP Creditor	(24)	(23)
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>(618)</b>	<b>(272)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,261)</b>	<b>3,341</b>
<b>EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS</b>	<b>(20)</b>	<b>(165)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>6,551</b>	<b>2,291</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>5,270</b>	<b>5,467</b>

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial statements)

## PART A – EXPLANATORY NOTE PURSUANT TO FRS 134

### 1. Accounting Policies

The interim financial report is unaudited and is prepared in accordance with Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the ACE Market.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 October 2011, except for the adoption of the following new Financial Reporting Standards (“FRS”) and issues Committee Interpretations (“IC Interpretations”) effective for the financial periods beginning on or after 1 January 2011.

<u>Standard/Interpretation</u>	<u>Effective for the financial periods beginning on or after</u>
Amendments to FRS 1 <i>Limited Exemption from Comparative FRS 7 Disclosures for First-Time Adopters</i>	1-Jan-2011
Amendments to FRS 1 <i>Additional Exemptions for First-Time Adopters</i>	1-Jan-2011
Amendments to FRS 2 <i>Group Cash-settled Share-based Payment Transactions</i>	1-Jan-2011
Amendments to FRS 7 <i>Improving Disclosure about Financial Instruments</i>	1-Jan-2011
Amendments to IC Interpretation 14 <i>Prepayments of a Minimum Funding Requirement</i>	1-Jul-2011
Amendments to FRSs contained in the document entitled “improvements to FRSs (2010)”	1-Jan-2011
IC Interpretation 4 <i>Determining and Separate Financial Statements</i> (revised in 2010)	1-Jan-2011
IC Interpretation 18 <i>Transfer of Assets from Customers</i>	1-Jan-2011

The adoption of the new FRS and Interpretations does not have any significant impact on the financial statement of the Group and the company.

## **2. Seasonal or cyclical of interim operations**

The Group’s operation is dependent on the cyclical trend of the semiconductors and electronics industries.

## **3. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size, or incidence during the six (6) months financial year ended 30 April 2012.

## **4. Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the six (6) months financial year ended 30 April 2012.

## **5. Debt and Equity Securities**

There were no issuances, cancellations or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the six (6) months financial period ended 30 April 2012.

## **6. Dividends Paid**

There was no dividend paid during the six (6) months financial period ended 30 April 2012.

## **7. Subsequent Material Events**

There were no material events since the end of the current quarter to the date of this announcement that have not been reflected in the interim financial statements.

## **8. Change in the Composition of the Group**

There were no changes in the composition of the Group during the six (6) months financial year ended 30 April 2012.

## **9. Contingent Liabilities and Contingent Assets**

<b><u>Contingent liabilities</u></b>	<b><u>30 Apr 2012</u></b>	<b><u>30 Apr 2011</u></b>
Guarantee given to a financial institution for banking facilities granted to a subsidiary	5,561,000	6,361,000

## 10. Segmental Information

Sales Revenue by Geographical Market for the six (6) months financial period up to 30 April 2012:

	<b>Current Year</b>	<b>Previous Year</b>
	<b>30 April 2012</b>	<b>30 April 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	134	376
South East Asia	267	105
North Asia	1,687	8,229
USA	52	175
<b>Total</b>	<b>2,140</b>	<b>8,885</b>

No other segmental information such as segment assets, liabilities and results are presented as the Group is principally engaged in business as a manufacturer of automated test equipment and operates from Malaysia only.

## 11. Capital Commitments

There was no capital commitment for the purchase of property, plant and equipment that was not provided for in the interim financial statements as at 30 April 2012.

## Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

## 12. Performance Review

In the current quarter ended 30 April 2012, the Group generated lower revenue of RM775,730, a decrease of RM3,649,559 or approximately 82% from the previous corresponding quarter ended 30 April 2011 of RM4,425,289. The decline in revenue was mainly attributable to the decrease in sales volume in the current quarter as compared to the previous corresponding quarter as the result of the continuing uncertainty in the global economy and the slowdown in semiconductor industry.

With the lower revenues, the Group posted a loss before taxation of RM694,792 as compared to profit before taxation for the previous corresponding quarter ended 30 April 2011 of RM410,484.

### **13. Commentary on Material Change in Profit before Taxation for the Quarter Reported against the Preceding Quarter**

The Group posted a lower revenue in the current quarter of RM775,730 as compared to the preceding quarter ended 31 January 2012 of RM1,364,105, representing a decrease of RM588,375 or approximately 43%.

The Group posted a loss before taxation of RM694,792 in the current quarter as compared to a loss before taxation of RM288,161 in the preceding quarter ended 31 January 2012, mainly due to the lower revenue during the current quarter.

### **14. Commentary on the Prospects**

Although the semiconductor industry continues to remain soft, the Company has received orders that are expected to translate into satisfactory revenue growth for the second half of the financial year as compared to the first half of the financial year.

### **15. Profit Forecast and Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee in any public document and hence, is not applicable.

### **16. Qualification of Audit Reports**

The audited financial statements of the Company and its subsidiary, VisDynamics Research Sdn Bhd (“VRSB”), for the preceding financial years were reported without any qualification.

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## 17. Tax Expense

Taxation comprises the following:

	Current Year Quarter	Previous Year Quarter	Current Year 6 Months Cumulative To-Date	Previous Year 6 Months Cumulative To-Date
	30 April 2012	30 April 2011	30 April 2012	30 April 2011
	RM'000	RM'000	RM'000	RM'000
In respect of:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
	-	-	-	-

The effective tax rate of the Group is lower than the statutory tax rate due to Pioneer Status granted to VRSB under the Promotion of Investments Act, 1986. Under Pioneer Status incentive granted to its subsidiary, 100% of the subsidiary’s statutory income from pioneer activities is exempted from income tax for a period of five (5) years, commencing from 1 June 2003. The Pioneer Status was further extended for another five (5) years commencing from 1 June 2008 to 31 May 2013 which was approved by Ministry of International Trade and Industry via its letter dated 14 October 2008.

## 18. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investments or properties during the current quarter and year to date ended 30 April 2012.

## 19. Purchase and Disposal of Quoted and marketable securities

There was no purchase or disposal of quoted and marketable securities during the current quarter and year to date ended 30 April 2012.

## 20. Status of Corporate Proposal and Utilisation of Proceeds

### 20.1. Status of Corporate Proposal Proposed and Not Complete

There was no corporate proposal announced but not completed as at the date of this announcement.

### 20.2. Utilisation of Proceeds

As at the date of this announcement, the proceeds raised from the public issue of the Company of RM11.022 million have been fully utilised.

## 21. Group Borrowings and Debt Securities

Group borrowings as at 30 April 2012 were as follows:

<u>Short term</u>	<u>RM '000</u>
Secured	394
<u>Long term</u>	
Secured	317
<b>TOTAL</b>	<b>711</b>

The Groups borrowings are all in Ringgit Malaysia.

## 22. Off Balance Sheet Financial Instruments

As at the date of this announcement, the Group has the following foreign exchange contracts to sell forward USD with the licensed bank:

<u>Contract amount (USD)</u>	<u>Contract rate</u>	<u>Value Date</u>
200,000	3.1430	23 Jul 2012 to 16 Nov 2012
100,000	3.1530	30 Jul 2012 to 23 Nov 2012
300,000	3.1560	30 Aug 2012 to 29 Nov 2012
200,000	3.1850	6 Aug 2012 to 30 Nov 2012

The contracts were entered to hedge the export sales revenue denominated in US Dollars.

## 23. Changes in Material Litigation Since the Last Annual Balance Sheet Date

As at the date of this announcement, the Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group.

## 24. Dividend Payable

The Group has not recommended or declared any dividend during the current quarter and six (6) months financial year to date ended 30 April 2012.

## 25. Earnings/(Loss) Per Share (“EPS/LPS”)

### 25.1. Basic EPS/(LPS)

	Current Year Quarter	Previous Year Quarter	Current Year 6 Months Cumulative To-Date	Previous Year 6 Months Cumulative To-Date
	30 April 2012	30 April 2011	30 April 2012	30 April 2011
Net (loss)/profit for the year (RM'000)	(695)	410	(983)	1,492
Weighted average number of shares in issue ('000)	100,696	67,088	100,696	67,088
Basic (LPS)/EPS (sen)	(0.69)	0.61	(0.98)	2.22

### 25.2. Diluted EPS

The calculation of diluted EPS has taken into consideration of the adjustment of weighted average number of ordinary shares in issue during the year for the dilutive effect of all potential ordinary shares in relation to the outstanding ESOS in existence.

	Current Year Quarter	Previous Year Quarter	Current Year 6 Months Cumulative To-Date	Previous Year 6 Months Cumulative To-Date
	30 April 2012	30 April 2011	30 April 2012	30 April 2011
Net (loss)/profit for the year (RM'000)	(695)	410	(983)	1,492
Weighted average number of shares in issue ('000)	100,696	67,088	100,696	67,088
Effect of dilution ('000): ESOS	-	-	-	-
Adjusted weighted average number of shares in issue and issuable ('000)	100,696	67,088	100,696	67,088
Diluted (LPS)/ EPS (sen)	(0.69)	0.61	(0.98)	2.22

## 26. Realised and Unrealised Profits Disclosure

The realised and unrealised profits of the Group are as follows:

	<b>As at 30.04.2012</b>	<b>As at 31.01.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Group:		
- Realised	3,323	4,034
- unrealised	<u>(20)</u>	<u>(36)</u>
	3,303	3,998
Less : Consolidation Adjustment	<u>(90)</u>	<u>(90)</u>
Total group retained profits/ (accumulated losses) as per consolidated accounts	<u>3,213</u>	<u>3,908</u>

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