

# VisDynamicsHoldings Berhad

(Company No: 677095-M)

Incorporated in Malaysia

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE TWELVE (12) MONTHS YEAR ENDED 31 OCTOBER 2012

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31 OCTOBER 2012 RM'000 (Unaudited)	PRECEDING YEAR QUARTER ENDED 31 OCTOBER 2011 RM'000 (Unaudited)	CURRENT YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2012 RM'000 (Unaudited)	PRECEDING YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2011 RM'000 (audited)
Revenue	3,746	3,044	9,786	15,653
Cost of Sales	(2,232)	(1,861)	(5,865)	(8,697)
<b>Gross Profit</b>	<b>1,514</b>	<b>1,183</b>	<b>3,921</b>	<b>6,956</b>
Other Operating Income	38	41	129	68
Human Resource Related Expenses	(727)	(838)	(2,751)	(2,590)
Administrative Expenses	(177)	(123)	(488)	(439)
Logistic Expenses	(47)	(11)	(86)	(64)
Selling and Distribution Expenses	(233)	(269)	(524)	(943)
Research and Development	(48)	17	21	(91)
Other Operating Expenses	(131)	43	(583)	(729)
<b>(Loss)/Profit From Operations</b>	<b>189</b>	<b>43</b>	<b>(361)</b>	<b>2,168</b>
Finance Cost	(22)	(22)	(77)	(138)
<b>(Loss)/Profit Before Taxation</b>	<b>167</b>	<b>21</b>	<b>(438)</b>	<b>2,030</b>
Taxation	(1)	-	(1)	-
<b>(Loss)/Profit For The Year</b>	<b>166</b>	<b>21</b>	<b>(439)</b>	<b>2,030</b>
<b>Attributable to:</b>				
Equity holders of the parent	166	21	(439)	2,030
Minority Interest	-	-	-	-
<b>Net (Loss)/Profit For The Year</b>	<b>166</b>	<b>21</b>	<b>(439)</b>	<b>2,030</b>
<b>(Loss)/Profit Per Share</b>				
<b>(i) Basic (sen)</b>	<b>0.16</b>	<b>0.02</b>	<b>(0.44)</b>	<b>2.02</b>
<b>(ii) Fully diluted (sen)</b>	<b>0.16</b>	<b>0.02</b>	<b>(0.44)</b>	<b>2.02</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 STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2012

	Unaudited As At 31 OCTOBER 2012 RM'000	Audited As At 31 OCTOBER 2011 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5,479	5,850
Development expenditure	1,034	294
Goodwill on consolidation	1,576	1,576
Intangible Assets	46	53
Deferred tax asset	83	83
<b>Total Non-Current Assets</b>	<b>8,218</b>	<b>7,856</b>
<b>CURRENT ASSETS</b>		
Inventories	5,131	5,760
Trade receivables	3,040	2,405
Other receivables, deposits and prepayments	18	143
Fixed deposit	3,750	5,613
Cash and bank balances	2,030	938
<b>Total Current Assets</b>	<b>13,969</b>	<b>14,859</b>
<b>TOTAL ASSETS</b>	<b>22,187</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	3,757	4,196
<b>Equity attributable to equity holders of the parent</b>	<b>18,664</b>	<b>19,103</b>
Minority interests	-	-
<b>TOTAL EQUITY</b>	<b>18,664</b>	<b>19,103</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	133	499
<b>Total Non-Current Liabilities</b>	<b>133</b>	<b>499</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	364	592
Other payables and accruals	1,399	1,692
Borrowings	1,627	829
<b>Total Current Liabilities</b>	<b>3,390</b>	<b>3,113</b>
<b>TOTAL LIABILITIES</b>	<b>3,523</b>	<b>3,612</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,187</b>	<b>22,715</b>
Net assets value per share (RM)	0.19	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 12 MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 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 (Audited)</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 year	-	-	-	-	2,029	2,029
Exercise of ESOS	4	26	-	-	-	30
Dividend paid during the year	-	-	-	-	(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 (Audited)</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 year	-	-	-	-	(439)	(439)
<b>As At 31 October 2012 (Unaudited)</b>	<b>10,070</b>	<b>2,823</b>	<b>-</b>	<b>2,014</b>	<b>3,757</b>	<b>18,664</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 12 MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 2012

	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2012 (Unaudited)	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2011 (audited)
	RM'000	RM'000
<b>NET (LOSS)/PROFIT BEFORE TAXATION</b>	<b>(439)</b>	<b>2,030</b>
Adjustment for:-		
Depreciation of property, plant and equipment	566	688
Amortisation of development expenditure	22	22
Amortisation of Trademarks and Patents	6	5
Reversal of provision and accruals	(302)	(1,003)
Development expenditure transferred to income statement	-	-
Loss/(gain) on foreign exchange - unrealised	47	(35)
Loss on disposal of fixed asset	2	1
Interest income	(129)	(66)
Interest expenses	61	120
Employees' Share Option Scheme Cost	-	(40)
Issuance of Bonus Issue & Warrants	-	(2)
<b>Operating profit before working capital changes</b>	<b>(166)</b>	<b>1,720</b>
Decrease in inventories	629	1,725
(Increase)/Decrease in trade and other receivables	(546)	6,474
Decrease in trade and other payables	(217)	(3,023)
<b>Cash generated from operations</b>	<b>(300)</b>	<b>6,896</b>
Interest paid	(61)	(120)
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>	<b>(361)</b>	<b>6,776</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Payment for development expenditure	(762)	(194)
Interest received	129	66
Proceed from disposal of Property, Plant & Equipment	2	2
Purchase of property, plant and equipment	(197)	(60)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(828)</b>	<b>(186)</b>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Dividend paid	-	(335)
Drawdown of banker acceptance	1,755	4,546
Repayment of term loan	(315)	(303)
Repayment of banker acceptance	(960)	(6,140)
Repayment of HP Creditor	(47)	(46)
Proceeds from issuance of shares	-	4
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>	<b>433</b>	<b>(2,274)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(756)</b>	<b>4,316</b>
<b>EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS</b>	<b>(15)</b>	<b>(56)</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>5,780</b>	<b>6,551</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 twelve (12) months financial year ended 31 October 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 twelve (12) months financial year ended 31 October 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 twelve (12) months financial period ended 31 October 2012.

## 6. Dividends Paid

There was no dividend paid during the twelve (12) months financial period ended 31 October 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 twelve (12) months financial year ended 31 October 2012.

## 9. Contingent Liabilities and Contingent Assets

<u>Contingent liabilities</u>	<u>31 Oct 2012</u>	<u>31 Oct 2011</u>
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 twelve (12) months financial period up to 31 October 2012:

	<b>Current Year</b>	<b>Previous Year</b>
	<b>31 October 2012 RM'000</b>	<b>31 October 2011 RM'000</b>
Malaysia	299	1,308
South East Asia	566	1,776
North Asia	8,791	12,242
USA	130	327
<b>Total</b>	<b>9,786</b>	<b>15,653</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 31 October 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 31 October 2012, the Group generated revenue of RM3,746,433, an increase of RM702,422 or approximately 23% from the previous corresponding quarter ended 31 October 2011 of RM3,044,011. The increase in revenue was mainly attributable to the increase in sales volume in the current quarter as compared to the previous corresponding quarter.

With the higher revenues, the Group posted a profit before taxation of RM165,949, which shows an increase as compared to profit before taxation for the previous corresponding quarter ended 31 October 2011 of RM20,596.

### **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 RM3,746,433 as compared to the preceding quarter ended 31 July 2012 of RM3,900,291, representing a decrease of RM153,858 or approximately 4%.

With the lower revenues, the Group posted a lower profit before taxation of RM165,949 as compared to RM378,314 in the preceding quarter ended 31 July 2012.

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

In view of the improved performance during the second half of the financial year, we believe that the coming financial year to be positive. With our strong cash flow position, we can take advantage of the upturn in demand in the coming quarters.

### **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 12 Months Cumulative To-Date	Previous Year 9 Months Cumulative To-Date
	31 October 2012	31 October 2011	31 October 2012	31 October 2011
	RM'000	RM'000	RM'000	RM'000
In respect of:-				
Taxation	1	-	1	-
Deferred taxation	-	-	-	-
	1	-	1	-

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. Status of Corporate Proposal and Utilisation of Proceeds

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

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

### 18.2. 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.

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## 19. Group Borrowings and Debt Securities

Group borrowings as at 31 October 2012 were as follows:

<b><u>Short term</u></b>	<b><u>RM '000</u></b>
Secured	1,627
<b><u>Long term</u></b>	
Secured	133
<b>TOTAL</b>	<b>1,760</b>

The Groups borrowings are all in Ringgit Malaysia.

## 20. 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.

## 21. Dividend Payable

The Group has not recommended or declared any dividend during the current quarter and twelve (12) months financial year to date ended 31 October 2012.

## 22. Profit/(Loss)/ Before Taxation

Profit/(loss) before taxation is stated after charging/(crediting) :-

	<b>Current Year Quarter</b>	<b>Current Year 12 Months Cumulative To-Date</b>
	<b>31 October 2012</b>	<b>31 October 2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest Income	(38)	(129)
Interest Expense	18	61
Depreciation of Property, Plant & Equipment	121	566
Amortisation of Development Expenditure	5	22
Amortisation of Trademarks & Patents	1	6
(Gain)/Loss on Foreign Exchange-Unrealised	24	47
(Reversal)/Addition of Provision & Accruals	269	(302)
Profit on Disposal of Fixed Assets	-	2

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

### 23.1. Basic EPS/(LPS)

	Current Year Quarter	Previous Year Quarter	Current Year 12 Months Cumulative To-Date	Previous Year 12 Months Cumulative To-Date
	31 October 2012	31 October 2011	31 October 2012	31 October 2011
Net (loss)/profit for the year (RM'000)	166	21	(439)	2,030
Weighted average number of shares in issue ('000)	100,696	100,696	100,696	100,696
Basic (LPS)/EPS (sen)	0.16	0.02	(0.44)	2.02

### 23.2. 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 12 Months Cumulative To-Date	Previous Year 12 Months Cumulative To-Date
	31 October 2012	31 October 2011	31 October 2012	31 October 2011
Net (loss)/profit for the year (RM'000)	166	21	(439)	2,030
Weighted average number of shares in issue ('000)	100,696	100,696	100,696	100,696
Effect of dilution ('000): ESOS	-	-	-	-
Adjusted weighted average number of shares in issue and issuable ('000)	100,696	100,696	100,696	100,696
Diluted (LPS)/ EPS (sen)	0.16	0.02	(0.44)	2.02

## 24. Realised and Unrealised Profits Disclosure

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

	<b>As at 31.10.2012</b> <b>RM'000</b>	<b>As at 31.07.2012</b> <b>RM'000</b>
	-----	-----
Total retained profits of the Group:		
- Realised	3,848	3,658
- unrealised	<u>(1)</u>	<u>23</u>
	3,847	3,681
Less : Consolidation Adjustment	<u>(90)</u>	<u>(90)</u>
Total group retained profits as per consolidated accounts	<u>3,757</u>	<u>3,591</u>

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