

VisDynamicsHoldings Berhad

(Company No: 677095-M)

Incorporated in Malaysia

UNAUDITED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE TWELVE (12) MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 2013

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31 OCT 2013 RM'000 (Unaudited)	PRECEDING YEAR QUARTER ENDED 31 OCT 2012 RM'000 (Audited)	CURRENT YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCT 2013 RM'000 (Unaudited)	PRECEDING YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCT 2012 RM'000 (Audited)
Revenue	414	3,746	3,623	9,747
Cost of Sales	(265)	(2,232)	(2,594)	(5,865)
Gross Profit	149	1,514	1,029	3,882
Other Operating Income	24	38	106	129
Human Resource Related Expenses	(673)	(727)	(2,812)	(2,751)
Administrative Expenses	(14)	(177)	(117)	(486)
Logistic Expenses	(3)	(47)	(48)	(86)
Selling and Distribution Expenses	(44)	(266)	(146)	(484)
Research and Development	39	(48)	88	21
Other Operating Expenses	(242)	(132)	(447)	(586)
(Loss)/ Profit From Operations	(764)	155	(2,347)	(361)
Finance Cost	(9)	(22)	(48)	(77)
(Loss)/ Profit Before Taxation	(773)	133	(2,395)	(438)
Taxation	-	-	-	-
(Loss)/ Profit For The Year	(773)	133	(2,395)	(438)
Attributable to:				
Equity holders of the parent	(773)	133	(2,395)	(438)
Minority Interest	-	-	-	-
Net (Loss)/ Profit For The Year	(773)	133	(2,395)	(438)
(Loss)/ Profit Per Share				
(i) Basic (sen)	(0.77)	0.13	(2.38)	(0.44)
(ii) Fully diluted (sen)	(0.77)	0.13	(2.38)	(0.44)

(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 2013

	Unaudited As At 31 OCT 2013 RM'000	Audited As At 31 OCT 2012 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5,112	5,479
Development expenditure	1,723	1,034
Goodwill on consolidation	1,576	1,576
Intangible Assets	51	46
Deferred tax asset	83	83
Total Non-Current Assets	8,545	8,218
CURRENT ASSETS		
Inventories	6,126	5,131
Trade receivables	810	3,039
Other receivables, deposits and prepayments	126	157
Fixed deposit	1,500	3,750
Cash and bank balances	709	2,030
Total Current Assets	9,271	14,107
TOTAL ASSETS	17,816	22,325
EQUITY AND LIABILITIES		
EQUITY		
Ordinary share capital	10,070	10,070
Share Premium	2,823	2,823
Warrant Reserves	2,014	2,014
Retained profits	1,362	3,757
Equity attributable to equity holders of the parent	16,269	18,664
Minority interests	-	-
TOTAL EQUITY	16,269	18,664
LIABILITIES		
NON-CURRENT LIABILITIES		
Borrowings	147	135
Total Non-Current Liabilities	147	135
CURRENT LIABILITIES		
Trade payables	313	364
Other payables and accruals	867	1,537
Borrowings	220	1,625
Total Current Liabilities	1,400	3,526
TOTAL LIABILITIES	1,547	3,661
TOTAL EQUITY AND LIABILITIES	17,816	22,325
Net assets value per share (RM)	0.16	0.19

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

Vis Dynamics Holdings 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 2013

(The figures have not been audited)

	Share Capital	Share Premium	Share Option Reserve	Warrant Reserve	Retained Profits	Total
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
As At 31 October 2011 (Audited)	10,070	2,823	-	2,014	4,196	19,103
Net Loss for the year	-	-	-	-	(439)	(439)
As At 31 October 2012 (Audited)	10,070	2,823	-	2,014	3,757	18,664
Net Loss for the year					(2,395)	(2,395)
As At 31 October 2013 (Unaudited)	10,070	2,823	-	2,014	1,362	16,269

(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 2013

	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCT 2013 (Unaudited)	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCT 2012 (audited)
	RM'000	RM'000
NET LOSS BEFORE TAXATION	(2,395)	(438)
Adjustment for:-		
Depreciation of property, plant and equipment	461	566
Amortisation of development expenditure	2	22
Amortisation of Trademarks and Patents	9	6
Reversal of provision and accruals	(504)	(302)
(Gain)/ Loss on foreign exchange - unrealised	(90)	47
Loss on disposal of fixed asset	-	2
Interest income	(106)	(129)
Interest expenses	33	61
Operating loss before working capital changes	(2,590)	(165)
Increase in inventories	(995)	629
Decrease/ (Increase) in trade and other receivables	2,598	(546)
Decrease in trade and other payables	(243)	(217)
Cash generated for operations	(1,230)	(299)
Interest paid	(33)	(61)
NET CASH FOR OPERATING ACTIVITIES	(1,263)	(360)
CASH FLOWS FOR INVESTING ACTIVITIES		
Payment for development expenditure	(964)	(762)
Interest received	106	129
Proceed from disposal of fixed asset	-	2
Additional of Trademarks & Patents	(13)	-
Purchase of property, plant and equipment	(95)	(197)
NET CASH FOR INVESTING ACTIVITIES	(966)	(828)
CASH FLOWS (FOR)/ FROM FINANCING ACTIVITIES		
Drawdown of banker acceptance	1,103	1,755
Repayment of term loan	(331)	(315)
Repayment of banker acceptance	(2,116)	(960)
Repayment of HP Creditor	(49)	(47)
NET CASH (FOR)/ FROM FINANCING ACTIVITIES	(1,393)	433
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,622)	(755)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	51	(15)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	5,780	6,551
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	2,209	5,781

(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 Malaysian Financial Reporting Standard (MFRS) 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 2012, except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRS”) effective for the financial periods beginning on or after 1 July 2012.

<u>Standard/Interpretation</u>	<u>Effective for the financial periods beginning on or after</u>
Amendments to MFRS 101 – <i>Presentation of Items of other Comprehensive Income</i>	1-Jul-2012
MFRS 3 – <i>Business Combinations</i>	1-Jan-2013
MFRS 10 – <i>Consolidated Financial Statements</i>	1-Jan-2013
MFRS 11 – <i>Joint Arrangements</i>	1-Jan-2013
MFRS 12 – <i>Disclosure of Interests in Other Entities</i>	1-Jan-2013
MFRS 13 – <i>Fair Value Measurement</i>	1-Jan-2013
MFRS 119 – <i>Employee Benefits (revised)</i>	1-Jan-2013
MFRS 127 – <i>Consolidated and Separate Financial Statements (revised)</i>	1-Jan-2013
Amendments to MFRS 1 – <i>First-time Adoption of MFRS – Government Loans</i>	1-Jan-2013
Amendments to MFRS 7 – <i>Financial Instruments : Disclosures - Offsetting - Financial Assets and Financial Liabilities</i>	1-Jan-2013
Amendments to MFRS 10 – <i>Consolidated Financial Statements : Transition Guidance</i>	1-Jan-2013
Amendments to MFRS 11 – <i>Joint Arrangements : Transition Guidance - Disclosure of Interests in Other Entities : Transition</i>	1-Jan-2013

Amendments to MFRS 132 – <i>Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities</i>	1-Jan-2014
Amendments to MFRS 9 – <i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	1-Jan-2015

The adoption of the new MFRS 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 2013.

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 2013.

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 2013.

6. Dividends Paid

There was no dividend paid during the twelve (12) months financial period ended 31 October 2013.

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 2013.

9. Contingent Liabilities and Contingent Assets

<u>Contingent liabilities</u>	<u>31 October 2013</u>	<u>31 October 2012</u>
Guarantee given to a financial institution for banking facilities granted to a subsidiary	5,561,000	5,561,000

10. Segmental Information

Sales Revenue by Geographical Market for the twelve (12) months financial period up to 31 October 2013:

	Current Year	Previous Year
	31 October 2013	31 October 2012
	RM'000	RM'000
Malaysia	70	299
South East Asia	316	526
North Asia	3,097	8,792
USA	140	130
Total	3,623	9,747

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 2013.

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 2013, the Group generated revenue of RM414,253 a decrease of RM3,332,170 or approximately 89% from the previous corresponding quarter ended 31 October 2012 of RM3,746,423. The decrease in revenue was mainly attributable to the decrease in sales volume in the current quarter as compared to the previous corresponding quarter.

With the lower revenues, the Group posted a loss before taxation of RM773,405 as compared to profit before taxation for the previous corresponding quarter ended 31 October 2012 of RM133,801.

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 RM414,253 as compared to the preceding quarter ended 31 July 2013 of RM1,989,906, representing an decrease of RM1,575,653 or approximately 79%.

With the lower revenues, the Group posted a higher loss before taxation of RM773,405 as compared to loss before taxation of RM78,693 in the preceding quarter ended 31 July 2013.

14. Commentary on the Prospects

Given the global semiconductor industry has seen growth in 2013 as compared to 2012, the Company is hopeful and cautiously optimistic of improved sales for the coming 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.

17. Tax Expense

Taxation comprises the following:

	Current Year Quarter	Previous Year Quarter	Current Year 12 Months Cumulative To-Date	Previous Year 12 Months Cumulative To-Date
	31 October 2013	31 October 2012	31 October 2013	31 October 2012
	RM'000	RM'000	RM'000	RM'000
In respect of:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
	-	-	-	-

18. Status of Corporate Proposal

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

19. Group Borrowings and Debt Securities

Group borrowings as at 31 October 2013 were as follows:

<u>Short term</u>	<u>RM '000</u>
Secured	220
<u>Long term</u>	
Secured	147
TOTAL	367

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 2013.

22. Profit/(Loss)/ Before Taxation

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

	Current Year Quarter	Current Year 12 Months Cumulative To-Date
	31 October 2013	31 October 2013
	RM'000	RM'000
Interest Income	(24)	(106)
Other income including investment income	-	-
Interest Expense	6	33
Depreciation of Property, Plant & Equipment	116	461
Provision for and write off of receivables	-	310
Provision for and write off of inventories	7	277
(Gain)/Loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Amortisation of Development Expenditure	-	1
Amortisation of Trademarks & Patents	1	9
Loss/(Gain) on Foreign Exchange-Unrealised	33	(90)
(Reversal)/Addition of Provision & Accruals	(138)	(504)
Profit on Disposal of Fixed Assets	-	-
Exceptional items	-	-

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 2013	31 October 2012	31 October 2013	31 October 2012
Net loss for the year (RM'000)	(773)	133	(2,395)	(438)
Weighted average number of shares in issue ('000)	100,696	100,696	100,696	100,696
Basic LPS (sen)	(0.77)	0.13	(2.38)	(0.44)

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 2013	31 October 2012	31 October 2013	31 October 2012
Net loss for the year (RM'000)	(773)	133	(2,395)	(438)
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 (sen)	(0.77)	0.13	(2.38)	(0.44)

24. Realised and Unrealised Profits Disclosure

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

	As at 31.10.2013 RM'000	As at 31.07.2013 RM'000
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Total retained profits of the Group:		
- Realised	1,362	2,104
- Unrealised	<u>89</u>	<u>121</u>
	1,452	2,225
Less : Consolidation Adjustment	<u>(90)</u>	<u>(90)</u>
Total group retained profits as per consolidated accounts	<u>1,362</u>	<u>2,135</u>