

# VisDynamics Holdings Berhad

[(Registration No. 200501000050 (677095-M)]

Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX (6) MONTHS FINANCIAL YEAR ENDED 30 APRIL 2021

(The figures have not been audited)

|   | INDIVIDUAL QUARTER   |  | CUMULATIVE QUARTER  |   |
|---|--|--|---|---|
|   | CURRENT YEAR<br>QUARTER<br>ENDED<br>30 APRIL 2021<br>RM'000<br>(Unaudited) | PRECEDING YEAR<br>QUARTER<br>ENDED<br>30 APRIL 2020<br>RM'000<br>(Audited) | CURRENT YEAR<br>SIX (6) MONTHS<br>CUMULATIVE<br>TO-DATE<br>30 APRIL 2021<br>RM'000<br>(Unaudited) | PRECEDING YEAR<br>SIX (6) MONTHS<br>CUMULATIVE<br>TO-DATE<br>30 APRIL 2020<br>RM'000<br>(Audited) |
| Revenue   | 9,810  | 5,571  | 20,745  | 8,107   |
| Cost of Sales   | <u>(4,121)</u>   | <u>(2,348)</u>   | <u>(8,031)</u>  | <u>(3,468)</u>  |
| <b>Gross Profit</b>   | <b>5,689</b>   | <b>3,223</b>   | <b>12,714</b>   | <b>4,639</b>  |
| Other Operating Income                                      | 184  | 838  | 242   | 563   |
| Human Resource Related Expenses                             | (563)  | (452)  | (1,291)   | (976)   |
| Administrative Expenses                                     | (541)  | (423)  | (1,055)   | (942)   |
| Selling and Distribution Expenses                           | (1,566)  | (792)  | (2,997)   | (1,124)   |
| Research and Development                                    | (1,419)  | (1,189)  | (2,596)   | (2,647)   |
| Other Operating Expenses                                    | <u>(49)</u>  | <u>(65)</u>  | <u>(259)</u>  | <u>(51)</u>   |
| <b>Profit/(Loss) From Operations</b>                        | <b>1,735</b>   | <b>1,140</b>   | <b>4,758</b>  | <b>(538)</b>  |
| Finance Cost  | <u>(26)</u>  | <u>(12)</u>  | <u>(60)</u>   | <u>(21)</u>   |
| <b>Profit/(Loss) Before Taxation</b>                        | <b>1,709</b>   | <b>1,128</b>   | <b>4,698</b>  | <b>(559)</b>  |
| Taxation  | <u>(567)</u>   | <u>-</u>   | <u>(1,025)</u>  | <u>-</u>  |
| <b>Profit/(Loss) After Taxation For The Period</b>          | <b>1,142</b>   | <b>1,128</b>   | <b>3,673</b>  | <b>(559)</b>  |
| <b>Other Comprehensive Income</b>                           |  |  |   |   |
| Forex loss  | (26)   | -  | (26)  | -   |
| <b>Total Comprehensive<br/>Income/(Loss) For The Period</b> | <b>1,116</b>   | <b>1,128</b>   | <b>3,647</b>  | <b>(559)</b>  |
| <b>Attributable to:</b>                                     |  |  |   |   |
| Equity holders of the parent                                | 1,116  | 1,128  | 3,647   | (559)   |
| Minority Interest   | -  | -  | -   | -   |
| <b>Net Profit Comprehensive Income<br/>For The Period</b>   | <b>1,116</b>   | <b>1,128</b>   | <b>3,647</b>  | <b>(559)</b>  |
| <b>Profit Per Share</b>                                     |  |  |   |   |
| (i) Basic (sen)   | <u>0.65</u>  | <u>0.66</u>  | <u>2.12</u>   | <u>(0.33)</u>   |
| (ii) Fully diluted (sen)                                    | <u>0.58</u>  | <u>0.66</u>  | <u>1.90</u>   | <u>(0.33)</u>   |

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

# VisDynamics Holdings Berhad

[(Registration No. 200501000050 (677095-M)]

Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2021

|  | Unaudited<br>As At<br>30 APRIL 2021<br>RM'000 | Audited<br>As At<br>31 OCTOBER 2020<br>RM'000 |
|--|---|---|
| <b>ASSETS</b>  |   |   |
| <b>NON-CURRENT ASSETS</b>                                  |   |   |
| Property, plant and equipment                              | 12,318  | 6,517   |
| Development expenditure                                    | 1,705   | 1,175   |
| Goodwill on consolidation                                  | 1,498   | 1,576   |
| Intangible Assets  | 24  | 26  |
| <b>Total Non-Current Assets</b>                            | <b>15,545</b>                                 | <b>9,294</b>                                  |
| <b>CURRENT ASSETS</b>                                      |   |   |
| Inventories  | 18,383  | 18,081  |
| Trade receivables  | 3,363   | 7,973   |
| Other receivables, deposits and prepayments                | 1,743   | 1,771   |
| Other investment   | 13,646  | 11,814  |
| Fixed deposit  | 3,317   | 4,425   |
| Cash and bank balances                                     | 7,710   | 3,289   |
| <b>Total Current Assets</b>                                | <b>48,162</b>                                 | <b>47,353</b>                                 |
| <b>TOTAL ASSETS</b>  | <b>63,707</b>                                 | <b>56,647</b>                                 |
| <b>EQUITY AND LIABILITIES</b>                              |   |   |
| <b>EQUITY</b>  |   |   |
| Ordinary share capital                                     | 23,501  | 20,870  |
| Warrants Reserve   | 1,846   | 3,371   |
| Discount on Shares   | (1,846)                                       | (3,371)                                       |
| ESOS Compensation Reserve                                  | -   | 276   |
| Retained profits   | 28,250  | 24,603  |
| <b>Equity attributable to equity holders of the parent</b> | <b>51,751</b>                                 | <b>45,749</b>                                 |
| Minority interests   | -   | -   |
| <b>TOTAL EQUITY</b>  | <b>51,751</b>                                 | <b>45,749</b>                                 |
| <b>LIABILITIES</b>   |   |   |
| <b>NON-CURRENT LIABILITIES</b>                             |   |   |
| Borrowings   | 32  | 68  |
| <b>Total Non-Current Liabilities</b>                       | <b>32</b>                                     | <b>68</b>                                     |
| <b>CURRENT LIABILITIES</b>                                 |   |   |
| Trade payables   | 2,602   | 3,141   |
| Taxation payables  | 1,508   | 463   |
| Other payables and accruals                                | 4,816   | 4,992   |
| Borrowings   | 2,998   | 2,234   |
| <b>Total Current Liabilities</b>                           | <b>11,924</b>                                 | <b>10,830</b>                                 |
| <b>TOTAL LIABILITIES</b>                                   | <b>11,956</b>                                 | <b>10,898</b>                                 |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>63,707</b>                                 | <b>56,647</b>                                 |
| Net assets value per share (RM)                            | 0.30  | 0.27  |

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

## **VisDynamics Holdings Berhad**

[(Registration No. 200501000050 (677095-M)]

*Incorporated in Malaysia*

### **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL YEAR ENDED 30 APRIL 2021**

(The figures have not been audited)

|  | Share<br>Capital | Share<br>Premium | Warrant<br>Reserve | ESOS<br>Compensation<br>Reserve | Discount on<br>Shares | Translation<br>Reserve | Retained<br>Profits | Total         |
|--|------------------|------------------|--------------------|---------------------------------|-----------------------|------------------------|---------------------|---------------|
|  | RM '000          | RM '000          | RM '000            | RM '000                         | RM '000               | RM '000                | RM '000             | RM '000       |
| <b>As at 31 October 2020 (Audited)</b> | <b>20,870</b>    | -                | <b>3,371</b>       | <b>276</b>                      | <b>(3,371)</b>        | -                      | <b>24,603</b>       | <b>45,749</b> |
| Net Profit for the year                | -                | -                | -                  | -                               | -                     | -                      | 3,647               | <b>3,647</b>  |
| Exercise of ESOS                       | 1,007            | -                | -                  | (276)                           | -                     | -                      | -                   | <b>731</b>    |
| Exercise of WARRANT                    | 1,624            | -                | (1,525)            | -                               | 1,525                 | -                      | -                   | <b>1,624</b>  |
| <b>As At 30 APRIL 2021 (Unaudited)</b> | <b>23,501</b>    | -                | <b>1,846</b>       | -                               | <b>(1,846)</b>        | -                      | <b>28,250</b>       | <b>51,751</b> |
| <br>                                   |                  |                  |                    |                                 |                       |                        |                     |               |
| <b>As at 31 October 2019 (Audited)</b> | <b>19,824</b>    | -                | <b>3,371</b>       | <b>577</b>                      | <b>(3,371)</b>        | -                      | <b>23,864</b>       | <b>44,265</b> |
| Net Profit for the year                | -                | -                | -                  | -                               | -                     | -                      | (559)               | <b>(559)</b>  |
| Exercise of ESOS                       | 891              | -                | -                  | (250)                           | -                     | -                      | -                   | <b>641</b>    |
| <b>As At 30 April 2020 (Audited)</b>   | <b>20,715</b>    | -                | <b>3,371</b>       | <b>327</b>                      | <b>(3,371)</b>        | -                      | <b>23,305</b>       | <b>44,347</b> |

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# VisDynamics Holdings Berhad

[(Registration No. 200501000050 (677095-M)]

Incorporated in Malaysia

## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE 6 MONTHS FINANCIAL YEAR ENDED 30 APRIL 2021

|   | SIX (6) MONTHS<br>CUMULATIVE<br>TO-DATE<br>30 APRIL 2021<br>(Unaudited) | SIX (6) MONTHS<br>CUMULATIVE<br>TO-DATE<br>30 APRIL 2020<br>(Audited) |
|---|---|---|
|   | RM'000  | RM'000  |
| <b>NET PROFIT BEFORE TAXATION</b>                                   | <b>4,672</b>  | <b>(559)</b>  |
| Adjustment for:-  |   |   |
| Depreciation of property, plant and equipment                       | 242   | 272   |
| Amortisation of development expenditure                             | 194   | 91  |
| Amortisation of Trademarks and Patents                              | 2   | 2   |
| Amortisation of Goodwill  | 79  | -   |
| (Reversal) / Addition of provision and accruals                     | (161)   | (1,176)   |
| (Gain)/ Loss on foreign exchange - unrealised                       | 92  | (169)   |
| Interest income   | (41)  | (261)   |
| Interest expenses   | 40  | 8   |
| <b>Operating profit before working capital changes</b>              | <b>5,119</b>  | <b>(1,792)</b>  |
| (Increase) / Decrease in inventories                                | (302)   | (1,585)   |
| Decrease / (Increase) in trade and other receivables                | 4,661   | 9,506   |
| (Decrease) / Increase in trade and other payables                   | (596)   | 275   |
| <b>Cash generated from operations</b>                               | <b>8,882</b>  | <b>6,404</b>  |
| Interest paid   | (40)  | (8)   |
| Reversal of taxation  | 20  | -   |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                           | <b>8,862</b>  | <b>6,396</b>  |
| <b>CASH FLOWS FROM/ (FOR) INVESTING ACTIVITIES</b>                  |   |   |
| Payment of development expenditure                                  | (698)   | (155)   |
| Interest received   | 41  | 261   |
| Purchase of property, plant and equipment                           | (202)   | (96)  |
| Purchase of investments   | (1,832)   | (5,895)   |
| Purchase of land  | (5,868)   | -   |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                        | <b>(8,559)</b>  | <b>(5,885)</b>  |
| <b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>                   |   |   |
| Drawdown of banker acceptance                                       | 3,536   | 238   |
| Repayment of banker acceptance                                      | (2,771)   | (1,933)   |
| Repayment of HP Creditor  | (37)  | (35)  |
| Proceeds from exercise of ESOS                                      | 732   | 641   |
| Proceeds from exercise of WARRANT                                   | 1,624   | -   |
| <b>NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES</b>     | <b>3,084</b>  | <b>(1,089)</b>  |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>       | <b>3,387</b>  | <b>(578)</b>  |
| <b>EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS</b>         | <b>(73)</b>   | <b>64</b>   |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b> | <b>7,714</b>  | <b>10,701</b>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>         | <b>11,028</b>   | <b>10,187</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 MFRS 134**

### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the Malaysia Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market, and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 October 2020.

### **2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statement for the year ended 31 October 2020, as well as the new/revised/amendments standard mandatory for financial periods beginning on or after 1 November 2020.

### **3. Auditors’ Report**

The auditors’ report on the financial statements for the financial year ended 31 October 2020 was not subject to any qualification.

### **4. Seasonal or cyclicality of interim operations**

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

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

Other than the material changes mentioned in Note 15, there were no other 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 period ended 30 April 2021.

### **6. 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 period ended 30 April 2021.

## 7. Debt and Equity Securities

On 2 July 2018, 4,212,500 share options under the Employees’ Share Option Scheme (ESOS) were granted to eligible directors and employees of the Group at an exercise price of RM0.42.

Please refer to note 26 for details of ESOS.

## 8. Dividends Paid

There was no dividend paid during the six (6) months financial period ended 30 April 2021.

## 9. 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.

## 10. Change in the Composition of the Group

There were no changes in the composition of the Group during the six (6) months financial period ended 30 April 2021.

## 11. Contingent Liabilities and Contingent Assets

|   | <u>30 April 2021</u> | <u>30 April 2020</u> |
|---|----------------------|----------------------|
| Guarantee given to a financial institution for banking facilities granted to a subsidiary | 16,400,000           | 16,400,000           |

## 12. Segmental Information

Sales Revenue by Geographical Market for the Six (6) months financial period up to 30 April 2021:

|                 | <b>30 April<br/>2021<br/>RM’000</b> | <b>30 April<br/>2020<br/>RM’000</b> |
|-----------------|-------------------------------------|-------------------------------------|
| Malaysia        | 1,109                               | 367                                 |
| South East Asia | 1,792                               | 1,078                               |
| North Asia      | 17,765                              | 6,653                               |
| USA             | 79                                  | 9                                   |
| <b>Total</b>    | <b>20,745</b>                       | <b>8,107</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.

### 13. Capital Commitments

***Approved but not contracted for***

Budget for the construction of factory building amounted to RM 10 million.

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

### 14. Performance Review

**Financial review for current quarter and financial year to date**

|  | Individual Quarter<br>(2 <sup>nd</sup> Quarter) |                                       | Changes<br>(Amount / %) |     | Cumulative Quarter                       |  | Changes<br>(Amount/ %) |       |
|--|---|---------------------------------------|-------------------------|-----|--|--|------------------------|-------|
|  | Current Quarter<br>30 April<br>2021             | Preceding Quarter<br>30 April<br>2020 |                         |     | Current year to-date<br>30 April<br>2021 | Preceding year to-date<br>30 April<br>2020 |                        |       |
|  | RM'000  | RM'000                                | RM'000                  | %   | RM'000                                   | RM'000                                     | RM'000                 | %     |
| <b>Revenue</b>   | 9,810   | 5,571                                 | 4,240                   | 76  | 20,745                                   | 8,107                                      | 12,638                 | 156   |
| <b>Operating Profit</b>  | 1,735   | 1,140                                 | 595                     | 52  | 4,758                                    | (538)                                      | 5,296                  | (984) |
| <b>Profit Before Interest and Tax</b>                                      | 1,727   | 1,134                                 | 593                     | 52  | 4,741                                    | (551)                                      | 5,292                  | (960) |
| <b>Profit Before Tax</b>   | 1,709   | 1,128                                 | 581                     | 51  | 4,698                                    | (559)                                      | 5,257                  | (940) |
| <b>Profit After Tax</b>  | 1,116   | 1,128                                 | (12)                    | (1) | 3,647                                    | (559)                                      | 4,206                  | (753) |
| <b>Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent</b> | 1,116   | 1,128                                 | (12)                    | (1) | 3,647                                    | (559)                                      | 4,206                  | (753) |

In the current 6 months ended 30 April 2021, the Group generated revenue of RM20,745,495, an increase of RM12,638,010 from the same corresponding period ended 30 April 2020 of RM8,107,485. The increase in revenue was attributed by the increase in the sales of machines.

**VisDynamics Holdings Berhad** (“VHB” or “Company”)

[(Registration No. 200501000050 (677095-M)]  
(Incorporated in Malaysia) – Explanatory Note

In line with the increase in revenue, the Group posted a profit before taxation of RM4,697,778 during this current year to date ended 30 April 2021 as compared to loss before taxation of RM558,862 during preceding year to date ended 30 April 2020.

The Group posted a higher revenue in the current quarter of RM9,810,414 as compared to the preceding quarter ended 30 April 2020 of RM5,570,569 due to the increase in the sales of machines.

In line with the increase in revenue, the Group posted a higher profit before taxation of RM1,708,987 in the current quarter as compared to profit before taxation of RM1,127,698 during previous corresponding quarter.

**Financial review for current quarter compared with immediate preceding quarter**

|  | <b>Current Quarter<br/>30 April<br/>2021</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/>31 January<br/>2021</b> | <b>Changes<br/>(Amount/ %)</b> |          |
|--|--|--|--------------------------------|----------|
|  | <b>RM'000</b>                                | <b>RM'000</b>  | <b>RM'000</b>                  | <b>%</b> |
| <b>Revenue</b>   | 9,810  | 10,935   | (1,125)                        | (10)     |
| <b>Operating Profit</b>  | 1,735  | 3,023  | (1,314)                        | (43)     |
| <b>Profit Before Interest<br/>and Tax</b>  | 1,727  | 3,014  | (1,287)                        | (43)     |
| <b>Profit Before Tax</b>   | 1,709  | 2,989  | (1,306)                        | (44)     |
| <b>Profit After Tax</b>  | 1,116  | 2,531  | (1,415)                        | (56)     |
| <b>Profit/(Loss)<br/>Attributable to<br/>Ordinary Equity<br/>Holders of the Parent</b> | 1,116  | 2,531  | (1,415)                        | (56)     |

The Group posted a lower revenue in the current quarter of RM9,810,414 as compared to the preceding quarter ended 31 January 2021 of RM10,935,082, representing decrease of RM1,124,668 due to the decrease of sales of machines.

As a result of lower revenue, the Group posted a profit before taxation of RM1,709,987 as compared to profit before taxation of RM2,988,791 in the preceding quarter ended 31 January 2021.



## **15. Commentary on Material Change in Statement of Financial Position**

1. Increase in Property, Plant and Equipment from RM6.5 million as at 31 October 2020 to RM12.3 million as at 30 April 2021 mainly due to the purchase of land for business expansion of approximately RM6.2 million.
2. Decrease in trade receivables from RM8 million as at 31 October 2020 to RM3.3 million as at 30 April 2021 due to receipts from customers. There were subsequent receipts from customers amounted to RM888k after the financial period ended 30 April 2021. No impairment is needed as these amounts are recoverable from customers based on their financial standings and payment history.
3. During this financial period 30 April 2021, there was an increase in Other Investment of RM1.8 million due to the placement of deposit in a low risk money market fund.
4. Trade payables decreased from RM3.1 million as at 31 October 2020 to RM2.6 million as at 30 April 2021.

## **16. Commentary on Material Change in Cash Flow Statement**

There was an increase in the cash and cash equivalents from RM7.7 million as at 31 October 2020 to RM11 million as at 30 April 2021 mainly due to payments received from customers.

## **17. Commentary on the Prospects**

The global chip market is projected to grow substantially in 2021 and 2022 as semiconductors become increasingly integral to the game changing technologies of today and the future. Despite the Covid19 pandemic and MCO, we believe that we are still well positioned to benefit from the prospect of a global economic recovery.

## **18. 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.

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**19. 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.

**20. Tax Expense**

Taxation comprises the following:

|                                      | <b>Current Year Quarter</b> | <b>Previous Year Quarter</b> | <b>Current Year 6 Months Cumulative To-Date</b> | <b>Previous Year 6 Months Cumulative To-Date</b> |
|--------------------------------------|-----------------------------|------------------------------|---|--|
|                                      | <b>30 April 2021</b>        | <b>30 April 2020</b>         | <b>30 April 2021</b>                            | <b>30 April 2020</b>                             |
|                                      | <b>RM'000</b>               | <b>RM'000</b>                | <b>RM'000</b>                                   | <b>RM'000</b>                                    |
| <b>Income Tax Expense</b>            |                             |                              |   |  |
| Tax expense for the period           | 567                         | -                            | 1,045   | -  |
| (Over)/under provision in prior year | -                           | -                            | (20)  | -  |
| Deferred taxation                    | -                           | -                            | -   | -  |
|                                      | <b>567</b>                  | <b>-</b>                     | <b>1,025</b>                                    | <b>-</b>   |

**21. Status of Corporate Proposal Proposed and Not Complete**

Other than Note 7, there was no corporate proposal announced but not completed as at the date of this announcement.

ESOS proceeds are used for company’s working capital purposes.

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## 22. Group Borrowings and Debt Securities

Group borrowings as at 30 April 2021 were as follows:

| <u>Short term</u>      | <u>30 April</u><br><u>2021</u> | <u>30 April</u><br><u>2020</u> |
|------------------------|--------------------------------|--------------------------------|
|                        | <u>RM '000</u>                 | <u>RM '000</u>                 |
| Hire purchase payables | 78                             | 78                             |
| Bankers acceptances    | <u>2,920</u>                   | <u>238</u>                     |
|                        | 2,998                          | 316                            |
| <u>Long term</u>       |                                |                                |
| Hire purchase payables | 32                             | 104                            |
| <b>TOTAL</b>           | <b>3,030</b>                   | <b>420</b>                     |

The Groups borrowings are all secured and in Ringgit Malaysia.

## 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 Final Single-Tier Dividend of 1 sen per ordinary share for the financial year ended 31 October 2019 amounted to RM 1,706,941 was paid on 05 June 2020.

The Group declared a Final Single-Tier Dividend of 1 sen per ordinary share in respect of the financial year ended 31 October 2020 and had been approved in the AGM held on 30 March 2021. The entitlement date and payment date were on 03 May 2021 and 28 May 2021 respectively.

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**25. Profit/(Loss)/ Before Taxation**

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

|   | <b>Current Year Quarter</b>     | <b>Current Year 6 Months Cumulative To-Date</b> |
|---|---------------------------------|---|
|   | <b>30 April 2021<br/>RM'000</b> | <b>30 April 2021<br/>RM'000</b>                 |
| Interest Income                               | (23)                            | (41)  |
| Interest Expense                              | 16                              | 40  |
| Depreciation of Property, Plant & Equipment   | 122                             | 242   |
| Amortisation of Development Expenditure       | 103                             | 194   |
| Amortisation of Trademarks & Patents          | 1                               | 2   |
| Amortisation of Goodwill                      | 40                              | 79  |
| (Gain) / Loss on Foreign Exchange-Unrealised  | (42)                            | 92  |
| Addition / (Reversal) of Provision & Accruals | 711                             | (161)   |

**26. Employee’s Share Option Scheme (“ESOS”)**

On 2 July 2018, the Company granted 4,212,500 ESOS (Employee’s Share Option Scheme) to eligible Directors and employees of the Company and its subsidiary to purchase shares in the Company.

Movement in the number of share options and the exercise price are as follows:

|  | <b>Number of share option</b> |                      |
|--|-------------------------------|----------------------|
|  | <b>30 April 2021</b>          | <b>30 April 2020</b> |
| At 1 November                            | -                             | -                    |
| Granted during the financial year        | 4,212,500**                   | 4,212,500**          |
| Exercised during previous financial year | (2,405,000)                   | (616,500)            |
| Exercised during the financial year      | (949,000)                     | (1,525,000)          |
| Forfeited of ESOS                        | (196,000)                     | (161,000)            |
| <b>At 30 April 2021</b>                  | <b>662,500</b>                | <b>1,910,000</b>     |
| <b>Exercise price (RM)</b>               | <b>RM0.42</b>                 | <b>RM0.42</b>        |
| <b>Options exercisable at 1 May 2021</b> | <b>662,500</b>                | <b>1,910,000</b>     |

\*\* Fifty percent (50%) of the total number of Options granted may be exercised upon Offering and shall remain exercisable for the Duration of the Scheme. The balance of fifty percent (50%) of the total number of Options granted may be exercised after the 1<sup>st</sup> anniversary of the Offering shall remain exercisable for the Duration of the Scheme.

**VisDynamics Holdings Berhad** (“VHB” or “Company”)

[(Registration No. 200501000050 (677095-M)]  
(Incorporated in Malaysia) – Explanatory Note

During the financial quarter under review, proceeds raised from exercise of 949,000 share options amounted to RM 398,580, as compared to previous corresponding quarter of 1,525,000 share options were exercised amounted to RM 640,500. The weighted average share price at the date of exercise was RM0.97 (2020: RM 0.57).

The fair value of the share options granted to eligible employees and Directors, was determined using Black-Scholes Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at the grant date and the input assumed by the Company in arising the fair value are as follows:

|                               | <u>30 April 2021</u> | <u>30 April 2020</u> |
|-------------------------------|----------------------|----------------------|
| Fair value at grant date (RM) | RM 0.280             | RM 0.280             |
| Share price                   | RM 1.390             | RM 0.475             |
| Exercise price                | RM 0.420             | RM 0.420             |
| Expected volatility (%)       | 59.69%               | 22.32%               |
| Expected life (years)         | 5                    | 5                    |
| Risk-free interest rate (%)   | 1.937%               | 2.79%                |

**27. Earnings/(Loss) Per Share (“EPS/LPS”)****27.1. Basic EPS/(LPS)**

|   | Current<br>Year<br>Quarter | Previous<br>Year<br>Quarter | Current<br>Year<br>6 Months<br>Cumulative<br>To-Date | Previous<br>Year<br>6 Months<br>Cumulative<br>To-Date |
|---|----------------------------|-----------------------------|--|---|
|   | <b>30 April<br/>2021</b>   | <b>30 April<br/>2020</b>    | <b>30 April<br/>2021</b>                             | <b>30 April<br/>2020</b>                              |
| Net profit for the year (RM'000)                  | 1,116                      | 1,128                       | 3,647  | (559)   |
| Weighted average number of shares in issue ('000) | 172,616                    | 169,891                     | 171,989  | 169,584   |
| Basic EPS/(LPS) (sen)                             | 0.65                       | 0.66                        | 2.12   | (0.33)  |

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## 27.2. 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, if any.

|  | <b>Current Year Quarter</b> | <b>Previous Year Quarter</b> | <b>Current Year 6 Months Cumulative To-Date</b> | <b>Previous Year 6 Months Cumulative To-Date</b> |
|--|-----------------------------|------------------------------|---|--|
|  | <b>30 April 2021</b>        | <b>30 April 2020</b>         | <b>30 April 2021</b>                            | <b>30 April 2020</b>                             |
| Net profit for the year (RM'000)   | 1,116                       | 1,128                        | 3,647   | (559)  |
| Weighted average number of shares used in the calculation of basic earnings per share ('000) | 172,616                     | 169,891                      | 171,989   | 169,584  |
| Adjustment for shares from assumed exercise of ESOS ('000)                                   | 468                         | 186                          | 468   | 186  |
| Adjustment for shares from assumed exercise of WARRANT ('000)                                | 19,064                      | -                            | 19,064  | -  |
| Weighted average number of ordinary shares at 30 April 2021                                  | 192,148                     | 170,077                      | 191,521   | 169,770  |
| Diluted EPS/(LPS) (sen)  | 0.58                        | 0.66                         | 1.90  | (0.33)   |

## 28. Realised and Unrealised Profits Disclosure

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

|   | <b>As at 30.04.2021<br/>RM'000</b> | <b>As at 30.04.2020<br/>RM'000</b> |
|---|------------------------------------|------------------------------------|
|   | -----                              | -----                              |
| Total retained profits of the Group:                      |                                    |                                    |
| - Realised  | 28,321                             | 22,903                             |
| - Unrealised  | <u>19</u>                          | <u>492</u>                         |
|   | 28,340                             | 23,395                             |
| Less : Consolidation Adjustment                           | <u>(90)</u>                        | <u>(90)</u>                        |
| Total group retained profits as per consolidated accounts | <u>28,250</u>                      | <u>23,305</u>                      |

**VisDynamics Holdings Berhad** (“VHB” or “Company”)

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(Incorporated in Malaysia) – Explanatory Note

**29. Derivatives**

As at the end of this quarter, the Group has the following foreign exchange contract to sell forward USD with the licensed bank:-

| <b>Foreign Exchange Contract</b> | <b>Total Contract/Notional Value (RM)</b> | <b>Total Fair Value (RM)</b> |
|----------------------------------|---|------------------------------|
| Less than 1 year                 | 2,027,150                                 | 2,053,000                    |

As at 30 April 2021, the Group hedged USD500,000 at rates 4.0543.

The above instruments are executed with credit worthy financial institutions in Malaysia and as such credit and counterparties risks are minimal. There is no cash requirement for these contracts. Policies to mitigate or control the risk associated with foreign exchange forward contracts are consistent with those of last financial year.