

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 TWELVE (12) MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31 OCTOBER 2024 RM'000 (Unaudited)	PRECEDING YEAR QUARTER ENDED 31 OCTOBER 2023 RM'000 (Audited)	CURRENT YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2024 RM'000 (Unaudited)	PRECEDING YEAR TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2023 RM'000 (Audited)
Revenue	3,342	8,053	8,104	26,649
Cost of Sales	<u>(1,474)</u>	<u>(2,683)</u>	<u>(4,005)</u>	<u>(9,289)</u>
Gross Profit	1,868	5,370	4,099	17,360
Other Operating Income	309	1,544	1,152	1,207
Human Resource Related Expenses	(759)	(1,416)	(2,104)	(2,813)
Administrative Expenses	(1,632)	(580)	(3,316)	(2,562)
Selling and Distribution Expenses	(529)	(1,101)	(1,173)	(3,678)
Research and Development	(1,391)	(1,871)	(5,088)	(4,891)
Other Operating Expenses	<u>(637)</u>	<u>(58)</u>	<u>(997)</u>	<u>(688)</u>
Profit/(Loss) From Operations	(2,771)	1,888	(7,427)	3,935
Finance Cost	<u>(5)</u>	<u>(8)</u>	<u>(26)</u>	<u>(35)</u>
Profit/(Loss) Before Taxation	(2,776)	1,880	(7,453)	3,900
Taxation	<u>(183)</u>	<u>116</u>	<u>(261)</u>	<u>(1,064)</u>
Profit/(Loss) After Taxation For The Period	(2,959)	1,996	(7,714)	2,836
Other Comprehensive Income				
Forex loss	-	-	-	-
Total Comprehensive Income/(Loss) For The Period	(2,959)	1,996	(7,714)	2,836
Attributable to:				
Equity holders of the parent	(2,959)	1,996	(7,714)	2,836
Minority Interest	-	-	-	-
Net Profit Comprehensive Income For The Period	(2,959)	1,996	(7,714)	2,836
Profit Per Share				
(i) Basic (sen)	(1.13)	0.76	(2.94)	1.33
(ii) Fully diluted (sen)	(1.13)	0.76	(2.94)	1.33

(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 31 OCTOBER 2024

	Unaudited As At 31 OCTOBER 2024 RM'000	Audited As At 31 OCTOBER 2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	14,419	12,762
Development expenditure	2,995	2,298
Goodwill on consolidation	-	1,105
Intangible Assets	91	122
Total Non-Current Assets	17,505	16,287
CURRENT ASSETS		
Inventories	18,411	18,510
Trade receivables	1,457	3,459
Other receivables, deposits and prepayments	2,134	2,222
Other investment	5,425	10,126
Fixed deposit	6,826	14,423
Cash and bank balances	11,919	9,386
Total Current Assets	46,172	58,126
TOTAL ASSETS	63,677	74,413
EQUITY AND LIABILITIES		
EQUITY		
Ordinary share capital	24,389	24,389
Warrants Reserve	9,855	9,855
Discount on Shares	(9,855)	(9,855)
ESOS Compensation Reserve	1,073	1,107
Retained profits	32,427	42,769
Equity attributable to equity holders of the parent	57,889	68,265
Minority interests	-	-
TOTAL EQUITY	57,889	68,265
LIABILITIES		
NON-CURRENT LIABILITIES		
Borrowings	-	66
Deferred Tax Liability	-	204
Total Non-Current Liabilities	-	270
CURRENT LIABILITIES		
Trade payables	509	299
Contract liabilities	1,791	-
Taxation payables	387	994
Other payables and accruals	3,030	4,477
Borrowings	71	108
Total Current Liabilities	5,788	5,878
TOTAL LIABILITIES	5,788	6,148
TOTAL EQUITY AND LIABILITIES	63,677	74,413
Net assets value per share (RM)	0.22	0.26

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VisDynamics Holdings Berhad

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

Incorporated in Malaysia

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 12 MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	Share Capital	Share Premium	Warrant Reserve	ESOS Compensation Reserve	Discount on Shares	Translation Reserve	Retained Profits	Total
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
As at 31 October 2023 (Audited)	24,389	-	9,855	1,107	(9,855)	-	42,769	68,265
Net Profit for the year	-	-	-	-	-	-	(7,714)	(7,714)
ESOS Forfeited	-	-	-	(34)	-	-	-	(34)
Dividend paid during the year	-	-	-	-	-	-	(2,628)	(2,628)
As At 31 October 2024 (Unaudited)	24,389	-	9,855	1,073	(9,855)	-	32,427	57,889
As at 31 October 2022 (Audited)	24,172	-	1,677	-	(1,677)	-	42,561	66,733
Net Profit for the year	-	-	-	-	-	-	2,836	2,836
Exercise of ESOS	198	-	-	-	-	-	-	198
Exercise of WARRANT	19	-	(6)	-	6	-	-	19
Warrants expired during the year	-	-	(1,671)	-	1,671	-	-	-
Issuance of Warrants	-	-	9,855	-	(9,855)	-	-	-
ESOS Granted	-	-	-	1,107	-	-	-	1,107
Dividend paid during the year	-	-	-	-	-	-	(2,628)	(2,628)
As At 31 October 2023 (Audited)	24,389	-	9,855	1,107	(9,855)	-	42,769	68,265

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

VisDynamics Holdings Berhad

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE 12 MONTHS FINANCIAL YEAR ENDED 31 OCTOBER 2024

	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2024 (Unaudited)	TWELVE (12) MONTHS CUMULATIVE TO-DATE 31 OCTOBER 2023 (Audited)
	RM'000	RM'000
NET LOSS BEFORE TAXATION	(7,453)	3,900
Adjustment for:-		
Depreciation of property, plant and equipment	884	834
Amortisation of development expenditure	92	235
Amortisation of Trademarks and Patents	31	18
Impairment of Goodwill	1,104	158
Reversal of provision and accruals	(1,267)	(4,814)
Loss on foreign exchange - unrealised	997	525
Loss on Disposal of property, plant and equipment	-	2
ESOS Expenses	(34)	1,107
Interest income	(1,037)	(1,136)
Interest expenses	5	9
Operating profit before working capital changes	(6,679)	837
Changes in inventories	100	1,425
Changes in trade and other receivables	1,959	6,937
Changes in trade and other payables	1,644	(1,472)
Cash generated (to)/ from operations	(2,976)	7,727
Interest paid	(5)	(9)
Tax paid	(1,072)	(2,342)
NET CASH (USED IN)/ FROM OPERATING ACTIVITIES	(4,053)	5,376
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment of development expenditure	(789)	(502)
Interest received	1,037	1,136
Purchase of property, plant and equipment	(568)	(585)
Purchase of Land	(1,973)	-
Withdrawal / (Placement) of money market funds	4,701	(9,207)
Additional in Trademarks / Patents	-	(106)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	2,408	(9,264)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	(2,628)	(2,628)
Repayment of HP Creditor	(103)	(114)
Proceeds from exercise of ESOS	-	198
Proceeds from exercise of WARRANT	-	19
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	(2,731)	(2,525)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,376)	(6,413)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	(688)	(254)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	23,809	30,476
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	18,745	23,809

(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 2023.

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 2023, as well as the new/revised/amendments standard mandatory for financial periods beginning on or after 1 November 2023.

3. Auditors’ Report

The auditors’ report on the financial statements for the financial year ended 31 October 2023 was not subject to any qualification.

4. Seasonal or cyclical nature 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 twelve (12) months financial period ended 31 October 2024.

6. 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 period ended 31 October 2024.

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

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

7. Debt and Equity Securities

On 15 August 2023, 6,512,000 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

Final Single-Tier Dividend of 1 sen per ordinary share for the financial year ended 31 October 2023 was paid on 24 May 2024.

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 twelve (12) months financial period ended 31 October 2024.

11. Contingent Liabilities and Contingent Assets

	<u>31 October 2024</u>	<u>31 October 2023</u>
Guarantee given to a financial institution for banking facilities granted to a subsidiary	11,400,000	11,400,000

12. Segmental Information

Sales Revenue by Geographical Market for the twelve (12) months financial period up to 31 October 2024:

	31 October 2024 RM’000	31 October 2023 RM’000
Malaysia	210	851
South East Asia	325	7,832
North Asia	7,555	17,966
Other	14	-
Total	8,104	26,649

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

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

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 15 million.

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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 (4 th Quarter)		Changes (Amount / %)		Cumulative Quarter		Changes (Amount/ %)	
	Quarter ended 31 October 2024	Quarter ended 31 October 2023			Year ended 31 October 2024	Year ended 31 October 2023		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	3,342	8,053	(4,711)	(58%)	8,104	26,649	(18,545)	(70%)
(Loss)/Profit Before Interest and Tax	(2,775)	1,882	(4,657)	(247%)	(7,449)	3,909	(11,358)	(291%)
(Loss)/Profit Before Tax	(2,776)	1,880	(4,656)	(248%)	(7,453)	3,900	(11,353)	(291%)
(Loss)/Profit After Tax	(2,959)	1,996	(4,955)	(248%)	(7,714)	2,836	(10,550)	(372%)
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(2,959)	1,996	(4,955)	(248%)	(7,714)	2,836	(10,550)	(372%)

In the current 12 months ended 31 October 2024, the Group generated revenue of RM8,103,925, decrease of RM18,544,938 from the same corresponding period ended 31 October 2023 of RM26,648,864. The decrease in revenue was due to decrease in the sales of machines.

In line with the decrease in revenue, the Group posted a loss before taxation of RM7,453,196 during this current year to date ended 31 October 2024 as compared to profit before taxation of RM3,899,844 during corresponding year to date ended 31 October 2023.

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Financial review for current quarter compared with preceding quarter

	Current Quarter 31 October 2024	Preceding Quarter 31 July 2024	Changes (Amount/ %)	
	RM'000	RM'000	RM'000	%
Revenue	3,342	2,322	1,020	44%
(Loss) Before Interest and Tax	(2,775)	(1,706)	(1,069)	(63%)
(Loss) Before Tax	(2,776)	(1,707)	(1,069)	(63%)
(Loss) After Tax	(2,959)	(1,786)	(1,173)	(66%)
(Loss) Attributable to Ordinary Equity Holders of the Parent	(2,959)	(1,786)	(1,173)	(66%)

The Group posted a higher revenue in the current quarter of RM3,341,755 as compared to the preceding quarter ended 31 July 2024 of RM2,321,865, representing increase of RM1,019,890 due to increase in the sales of machines.

In spite of the higher revenue, the Group posted a loss before taxation of RM2,775,930 this quarter as compared to loss before taxation of RM1,707,223 in the preceding quarter ended 31 July 2024, mainly due impairment of goodwill.

15. Commentary on Material Change in Statement of Financial Position

1. Increase in property, plant and equipment from RM12.8 million as at 31 October 2023 to RM14.4 million as at 31 October 2024 due to the purchase of land.
2. Decrease in trade receivables from RM3.5 million as at 31 October 2023 to RM1.5 million as at 31 October 2024 due to the collections from customers. There were subsequent receipts from customers amounted to RM401K after the financial period ended 31 October 2024.
3. Decrease in other payables and accruals from RM4.5 million as at 31 October 2023 to RM3.0 million as at 31 October 2024 was mainly due lower provision of sales and service commission and provision of warranty in line with the decrease in sales.

16. Commentary on Material Change in Cash Flow Statement

There was a decrease in the cash and cash equivalents from RM23.8 million as at 31 October 2023 to RM18.7 million as at 31 October 2024 mainly due to funding of working capital, payment of dividends, purchase of land and share buy-back.

17. Commentary on the Prospects

We believe that the industry has hit the bottom in 2024.

We still hold the expectation that any significant improvement will be beyond year 2025.

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.

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.

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20. 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 2024	31 October 2023	31 October 2024	31 October 2023
	RM'000	RM'000	RM'000	RM'000
Income Tax Expense				
Tax expense for the period	387	(320)	387	994
Under / (Over) provision in prior year	-	-	78	(134)
Deferred taxation	(204)	204	(204)	204
	183	(116)	261	1,064

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 31 October 2024 were as follows:

<u>Short term</u>	<u>31 October</u>	<u>31 October</u>
	<u>2024</u>	<u>2023</u>
	<u>RM ‘000</u>	<u>RM ‘000</u>
Hire purchase payables	71	108
Bankers acceptances	—	—
	71	108
<u>Long term</u>		
Hire purchase payables	-	66
TOTAL	71	174

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

No dividend has been proposed or declared for the current quarter.

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25. 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 2024 RM'000	31 October 2024 RM'000
Interest Income	(218)	(1,037)
Interest Expense	1	5
Depreciation of Property, Plant & Equipment	271	885
Amortisation of Development Expenditure	34	92
Amortisation of Trademarks & Patents	2	31
Impairment of Goodwill	986	1,104
Loss on Foreign Exchange-Unrealised	637	997
ESOS Forfeited	(13)	(34)
Addition / (Reversal) of Provision & Accruals	322	(1,267)

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

On 15 August 2023, the Company granted 6,512,000 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:

	Number of share option	
	31 October 2024	31 October 2023
At 1 November	-	-
Granted during the financial year	6,512,000**	6,512,000***
Exercised during previous financial year	-	-
Exercised during the financial year	-	-
Forfeited of ESOS	(201,000)	-
At 31 October 2024	6,311,000	6,512,000
Exercise price (RM)	RM0.42	RM0.42
Options exercisable at 1 November 2024	6,311,000	6,512,000

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** 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 1st anniversary of the Offering shall remain exercisable for the Duration of the Scheme.

During the financial quarter under review, 201,000 options were forfeited due to the resignation of staffs.

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>31 October 2024</u>	<u>31 October 2023</u>
Fair value at grant date (RM)	RM 0.170	RM 0.170
Share price	RM 0.290	RM 0.400
Exercise price	RM 0.420	RM 0.420
Expected volatility (%)	43.07%	24.897%
Expected life (years)	5	5
Risk-free interest rate (%)	3.582%	3.670%

27. Earnings Per Share (“EPS”)

27.1. Basic EPS

	Current Year Quarter	Previous Year Quarter	Current Year 12 Months Cumulative To-Date	Previous Year 12 Months Cumulative To-Date
	31 October 2024	31 October 2023	31 October 2024	31 October 2023
Net profit for the year (RM'000)	(2,959)	1,996	(7,714)	2,836
Weighted average number of shares in issue ('000)	262,799	262,799	262,799	212,639
Basic EPS (sen)	(1.13)	0.76	(2.94)	1.33

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.

	Current Year Quarter	Previous Year Quarter	Current Year 12 Months Cumulative To-Date	Previous Year 12 Months Cumulative To-Date
	31 October 2024	31 October 2023	31 October 2024	31 October 2023
Net profit for the year (RM'000)	(2,959)	1,996	(7,714)	2,836
Weighted average number of shares used in the calculation of basic earnings per share ('000)	262,799	262,799	262,799	212,639
Adjustment for shares from assumed exercise of ESOS ('000)	-	-	-	-
Adjustment for shares from assumed exercise of WARRANT ('000)	-	-	-	-
Weighted average number of ordinary shares at 31 October 2024	262,799	262,799	262,799	212,639
Diluted EPS (sen)	(1.13)	0.76	(2.94)	1.33

28. Realised and Unrealised Profits Disclosure

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

	As at 31.10.2024 RM'000	As at 31.10.2023 RM'000
	-----	-----
Total retained profits of the Group:		
- Realised	31,077	40,423
- Unrealised	<u>1,440</u>	<u>2,436</u>
	32,517	42,859
Less : Consolidation Adjustment	<u>(90)</u>	<u>(90)</u>
Total group retained profits as per consolidated accounts	<u>32,427</u>	<u>42,769</u>

29. Derivatives

There was no outstanding derivative as at 31 October 2024.

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