



TT VISION HOLDINGS BERHAD
Registration No. 20180101 1030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2022**

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾**

	Individual Quarter		Cumulative Quarter	
	Unaudited 30.9.2022 RM'000	Unaudited 30.9.2021 ⁽²⁾ RM'000	Unaudited 30.9.2022 RM'000	Unaudited 30.9.2021 ⁽²⁾ RM'000
Revenue	10,854	N/A	38,212	N/A
Cost of sales	(6,155)	N/A	(22,152)	N/A
Gross profit	4,699	N/A	16,060	N/A
Other income	437	N/A	1,166	N/A
Distribution expenses	(217)	N/A	(862)	N/A
Administrative expenses	(1,893)	N/A	(5,458)	N/A
Research and development expenses	(351)	N/A	(928)	N/A
Operating profit	2,675	N/A	9,978	N/A
Finance income	4	N/A	13	N/A
Finance costs	(104)	N/A	(263)	N/A
Profit before tax	2,575	N/A	9,728	N/A
Income tax expense	(755)	N/A	(2,711)	N/A
Profit for the financial period	1,820	N/A	7,017	N/A
Other comprehensive income, net of tax				
<i>Items that will not be reclassified subsequent to profit or loss</i>				
Tax effects relating to revaluation of land and buildings	19	N/A	58	N/A
Other comprehensive income for the financial period	19	N/A	58	N/A
Total comprehensive income/(loss) for the financial period	1,839	N/A	7,075	N/A
Earnings per share attributable to owners of the Company				
- Basic (sen) ⁽³⁾	0.47	N/A	1.83	N/A
- Diluted (sen) ⁽⁴⁾	0.47	N/A	1.83	N/A

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾ (CONTINUED)**

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of TT Vision Holdings Berhad and its subsidiaries ("**the Group**") dated 29 December 2022 ("**Prospectus**") and the accompanying explanatory notes attached to this condensed interim financial report.
- (2) This is the first condensed interim financial report for the financial quarter ended 30 September 2022 being announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period ended as no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic and diluted earnings per share ("**EPS**") is calculated based on the issued ordinary shares in the Company ("**Shares**") of 383,500,000 Shares before Initial Public Offering ("**IPO**").
- (4) The diluted EPS of the Group for the quarter are equivalent to the basic EPS as the Group does not have any convertible securities as at the end of the reporting period.

N/A denotes not applicable.

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾**

	Unaudited 30.9.2022 RM'000	Audited 31.12.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,008	1,149
Right-of-use assets	29,917	30,396
Intangible assets	4,083	4,129
Total non-current assets	35,008	35,674
Current assets		
Inventories	13,520	9,043
Trade and other receivables	15,020	6,963
Contract assets	17,796	12,016
Other investments	3,609	11,987
Current tax assets	233	-
Cash and bank balances	6,320	5,490
Total current assets	56,498	45,499
TOTAL ASSETS	91,506	81,173
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	41,280	41,280
Other reserves	(9,626)	(9,684)
Retained earnings	28,396	21,379
TOTAL EQUITY	60,050	52,975
Non-current liabilities		
Loans and borrowings	5,530	5,910
Deferred income	23	88
Deferred tax liabilities	9,346	6,935
Total non-current liabilities	14,899	12,933
Current liabilities		
Loans and borrowings	3,992	2,869
Trade and other payables	7,520	7,395
Contract liabilities	5,045	4,805
Current tax liabilities	-	196
Total current liabilities	16,557	15,265
TOTAL LIABILITIES	31,456	28,198
TOTAL EQUITY AND LIABILITIES	91,506	81,173
Number of ordinary shares ('000 unit)	383,500	383,500
Net assets per share attributable to ordinary equity holders (RM)⁽²⁾	0.16	0.14

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾ (CONTINUED)**

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on net assets divided by the Company's enlarged share capital of 383,500,000 shares before the IPO of the Company.

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾

Group	----- Attributable to owners of the Company -----				Total equity RM'000
	Share capital RM'000	Reorganisation reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	
Balance as at 1 January 2022	41,280	(22,938)	13,254	21,379	52,975
Profit for the financial period	-	-	-	7,017	7,017
Other comprehensive income for the financial period	-	-	58	-	58
Total comprehensive income	-	-	58	7,017	7,075
Balance as at 30 September 2022	41,280	(22,938)	13,312	28,396	60,050

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report for the third quarter ended 30 September 2022 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period ended as there is no interim financial report was prepared for the comparative financial period concerned.

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾

	9 months ended	
	Unaudited 30.9.2022 RM'000	Unaudited 30.9.2021 ⁽²⁾ RM'000
Cash flows used in operating activities		
Profit before tax	9,728	N/A
Adjustments for:		
Amortisation of deferred income	(66)	N/A
Amortisation of intangible assets	704	N/A
Depreciation of property, plant and equipment	319	N/A
Depreciation of right-of-use assets	480	N/A
Fair value loss on other investment	66	N/A
Interest expense	263	N/A
Interest income	(13)	N/A
Property, plant and equipment written off	5	N/A
Net unrealised gain on foreign exchange	(303)	N/A
Operating profit before working capital changes	11,183	N/A
Changes in working capital:		
Inventories	(4,477)	N/A
Receivables	(7,832)	N/A
Payables	-	N/A
Contract assets	(5,780)	N/A
Contract liabilities	240	N/A
Net cash used in operations	(6,666)	N/A
Income tax paid	(671)	N/A
Interests paid	(263)	N/A
Interests received	13	N/A
Net cash used in operating activities	(7,587)	N/A
Cash flows from investing activities		
Net change in other investments	8,312	N/A
Additions of intangible assets	(658)	N/A
Purchase of property, plant and equipment	(183)	N/A
Net cash from investing activities	7,471	N/A

TT VISION HOLDINGS BERHAD
Registration No. 201801011030 (1273046-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022⁽¹⁾ (CONTINUED)**

	9 months ended	
	Unaudited 30.9.2022 RM'000	Unaudited 30.9.2021⁽²⁾ RM'000
Cash flows from financing activities		
Drawdown of bankers' acceptances	4,602	N/A
Repayment of bankers' acceptances	(3,370)	N/A
Repayment of term loans	(489)	N/A
Net cash from financing activities	743	N/A
Net increase in cash and cash equivalents	627	N/A
Cash and cash equivalents at the beginning of the financial period	5,490	N/A
Effects of exchange rate changes on cash and bank balances	203	N/A
Cash and cash equivalents at the end of the financial period	6,320	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this intrerim financial report.
- (2) This is the first interim financial report for financial quarter ended 30 September 2022 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period ended as there is no interim financial report was prepared for the comparative financial period concerned.

N/A denotes not applicable.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 – INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The condensed interim financial report of TT Vision Holdings Berhad (“**TTVHB**” or the “**Company**”) and its subsidiaries (“**the Group**”) is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRSs**”) 134 - *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”), International Financial Reporting Standard (“**IFRSs**”), requirements of the Companies Act, 2016 in Malaysia, Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities.

This is the first interim financial report on the Group’s unaudited condensed consolidated financial statements for the third quarter ended 30 September 2022 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding corresponding period.

The condensed interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes are attached to this condensed interim financial report.

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentations adopted by the Group are consistent with those adopted for the audited financial statements of the Group for the financial year ended 31 December 2021 and Accountants’ Report in the Prospectus.

The Group plans to apply the below standards, interpretation and amendments where applicable, in the respective financial periods when they become effective:

Effective for financial periods beginning on or after 1 January 2022:

Amendments/Improvements to MFRSs

MFRS 1	First- time Adoption of MFRSs
MFRS 3	Business Combination
MFRS 9	Financial Instruments
MFRS 116	Property, Plant and Equipment
MFRS 137	Provision, Contingent Liabilities and Contingent Asset
MFRS 141	Agriculture

Annual Impairments to MFRS Standards 2018-2020

Effective for financial periods beginning on or after 1 January 2023:

New MFRS
MFRS 17

**Effective for
financial periods
beginning on or after**

1 January 2023

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group plans to apply the below standards, interpretation and amendments where applicable, in the respective financial years when they become effective (continued):

Effective for financial period beginning on or after 1 January 2023 (continued):

<u>Amendments/Improvements to MFRSs</u>	Effective for financial periods beginning on or after
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2023 [#]
MFRS 3 Business Combinations	1 January 2023 [#]
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7 Financial Instruments: Disclosures	1 January 2023 [#]
MFRS 9 Financial Instruments	1 January 2023 [#]
MFRS 10 Consolidated Financial Statements	Deferred
MFRS 15 Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16 Leases	1 January 2024
MFRS 17 Insurance Contracts	1 January 2023
MFRS 101 Presentation of Financial Statements	1 January 2023/ 1 January 2023 [#] / 1 January 2024
MFRS 107 Statements of Cash Flows	1 January 2023 [#]
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112 Income Taxes	1 January 2023
MFRS 116 Property, Plant and Equipment	1 January 2023 [#]
MFRS 119 Employee Benefits	1 January 2023 [#]
MFRS 128 Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132 Financial Instruments: Presentation	1 January 2023 [#]
MFRS 136 Impairment of Assets	1 January 2023 [#]
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2023 [#]
MFRS 138 Intangible Assets	1 January 2023 [#]
MFRS 140 Investment Property	1 January 2023 [#]

Consequential amendments as a result of effective of MFRS 17 Insurance Contracts

The Group intends to adopt these new and amended standards, interpretations and amendments, if applicable, when they become effective in the respective financial period. The initial application of the accounting standards, interpretation and amendments are not expected to have any material financial impacts to the current and prior periods' financial statements of the Group upon their first adoption.

A3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Group for the financial year ended 31 December 2021 were not subject to any qualification.

A4 SEASONAL OR CYCLICAL FACTORS

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5 MATERIAL UNSUAL ITEMS

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

A6 MATERIAL CHANGES IN ESTIMATES

There were no changes in the nature and estimates of amounts reported which have a material effect for the results for the current financial quarter under review.

A7 DIVIDEND PAID

There was no dividend paid during the current financial quarter under review.

A8 SEGMENTAL INFORMATION

The segmental analysis of Group's revenue is set out as follows:

Revenue segmented by business activities, products and services

	Current Quarter 3 months ended 30.9.2022 RM'000	Cumulative Quarter 9 months ended 30.9.2022 RM'000
<u>Business activities, products and services</u>		
Manufacturing of machine vision equipment	10,810	37,843
Other related products and services	44	369
Total	10,854	38,212
<u>Geographical locations</u>		
Malaysia	9,931	16,612
China	802	20,897
Other countries	121	703
Total	10,854	38,212

This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter as no interim financial report was prepared for the comparative quarter concerned.

A9 DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial quarter under review.

A10 CAPITAL COMMITMENTS

There were no material capital commitments for the current financial quarter under review.

A11 CONTINGENT ASSETS AND LIABILITIES

There were no material contingent assets and liabilities for the current financial quarter under review.

A12 CHANGES IN COMPOSITION OF GROUP

There were no material changes in the composition of the Group for the current financial quarter under review.

A13 FAIR VALUE OF FINANCIAL LIABILITIES

There was no gain or loss arising from fair value changes of the Group's financial liabilities for the current financial quarter under review.

A14 SIGNIFICANT EVENTS OCCURRING AFTER THE FINANCIAL PERIOD

There were no significant events subsequent to the end of the current financial quarter under review save as disclosed in B5.

B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES FOR THE ACE MARKET

B1 REVIEW OF PERFORMANCE

The Group recorded revenue of RM10.85 million and RM38.21 million for the current quarter under review and financial year-to-date respectively. The revenue were mainly attributed from the manufacturing of machine vision equipment segment which accounted for RM10.81 million and RM37.84 million, representing 99.59% and 99.03% of the total revenue respectively. For the current quarter and financial year-to-date, the Group's revenue was mainly derived from sales to customers in China and Malaysia which contributed for 98.89% and 98.16% of the Group's total revenue respectively.

The Group recorded profit before taxation ("PBT") of RM2.57 million and RM9.73 million for the current quarter under review and financial year-to-date respectively after deducting expenses which were mainly attributed to administrative expenses amounting to RM1.89 million for the current quarter under review and RM5.46 million for the financial year-to-date. The administrative expenses also included one-off IPO listing related expenses amounted to RM0.47 million and RM0.82 million for the current quarter under review and financial year-to-date respectively.

No comparative figures are presented for the preceding year's corresponding quarter and year-to-date as this is the first condensed interim financial report announced in compliance with the Listing Requirements.

B2 PROSPECTS

The post pandemic global market uncertainty reached unprecedented levels with several global macro-economic concerns including rising inflation, weaker consumer confidence and the growing risk of a recession. However, the rising tension of the US and China trade war had led to the companies adjusting supply chains to other more strategic locations especially Southeast Asian countries.

Furthermore, the pressure from macroeconomic such as inflation and recent layoffs sweeping the technology sector may lead to these companies seeking for automated solutions. As such, the Group continues to see high growing potential in the demand for automated solutions, particularly its machine vision equipment and remain optimistic in revenue growth.

B3 PROFIT FORECAST

The Group has not issued any profit forecast or guarantee in any form of public documentation and announcement during the current financial quarter under review.

B4 INCOME TAX EXPENSE

	Individual Quarter		Cumulative Quarter	
	30.9.2022 RM'000	30.9.2021 RM'000	30.9.2022 RM'000	30.9.2021 RM'000
Current income tax charge	-	N/A	242	N/A
Deferred tax charge	755	N/A	2,469	N/A
Total tax expense	755	N/A	2,711	N/A
Effective tax rate	29.3%	N/A	27.9%	N/A

(1)

B4 INCOME TAX EXPENSE (CONTINUED)

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the third quarter ended 30 September 2022 announced by the Company in compliance with the Listing Requirements.

The variance between effective tax rate and statutory tax rate was due to the provision of deferred tax charge on contract assets in the current financial period.

B5 STATUS OF CORPORATE PROPOSAL

On 29 December 2022, the Company issued its Prospectus and undertook an initial public offering comprising a public issue of 84,500,000 new Shares and an offer for sale of 10,500,000 existing Shares by certain existing shareholders of the Company at an issue/offer price of RM0.34 per Share. The listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities is expected to take place on 18 January 2023.

Save as disclosed above, there were no other corporate proposals announced but pending completion as at the date of this unaudited interim financial report.

B6 UTILISATION OF PROCEED RAISED FROM THE IPO

The gross proceeds of RM28.73 million to be raised from our IPO via the public issue is intended to be utilised in the following manner:-

Description	Amount RM'000	Percentage of Gross Proceeds %	Timeframe for Utilisation Upon Listing
(a) Repayment of bank borrowings	6,000	20.88	Within 6 months
(b) Research and development expenditure	8,000	27.85	Within 24 months
(c) Marketing activities	850	2.96	Within 24 months
(d) Working capital requirements	10,680	37.17	Within 24 months
(e) Estimated listing expenses	3,200	11.14	Immediate
Total cash proceeds	28,730	100.00	

The utilisation of proceeds as disclosed above shall be read in conjunction with the Prospectus. As at the date of this interim financial report, the IPO is pending completion, and therefore, there is no utilisation of the IPO proceeds.

B7 LOANS AND BORROWINGS

	Unaudited 30.9.2022 RM'000	Audited 31.12.2021 RM'000
<u>Current</u>		
Term loans	622	728
Bankers' acceptances	3,370	2,141
Total	3,992	2,869
<u>Non-current</u>		
Term loans	5,530	5,910
Total	5,530	5,910
Total	9,522	8,779

All the loans and borrowings are secured and denominated in Ringgit Malaysia ("RM").

B8 DERIVATIVES

The Group did not enter into any derivatives during the current financial quarter under review.

B9 MATERIAL LITIGATION

There are no litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B10 PROPOSED DIVIDEND

There was no dividend declared or recommended for payment by the Board during the current financial quarter under review.

B11 EPS

The calculation of basic/diluted EPS was based on the profit after tax attributable to owners of the Company and the weighted average number of ordinary shares outstanding as follows:-

	Individual Quarter		Cumulative Quarter	
	30.9.2022	(¹) 30.9.2021	30.9.2022	(¹) 30.9.2021
Profit after tax attributable to owners of the Company (RM'000)	1,820	N/A	7,017	N/A
Weighted average number of ordinary shares ('000 unit)	383,500	N/A	383,500	N/A
Basic/diluted EPS (sen) (²)	0.47	N/A	1.83	N/A

B11 EPS (CONTINUED)

Notes:

- (1) Comparative figures for the preceding year's corresponding period are not presented as this is the first interim financial report announced by the Company in compliance with the Listing Requirements.
- (2) Diluted EPS for the current and cumulative quarter are equivalent to the basic EPS for the current and cumulative quarter as the Company does not have any dilutive instruments as at the end of the quarter ended 30 September 2022.

N/A denotes not applicable.

B12 NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Profit before taxation is arrived at after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	30.9.2022	(1) 30.9.2021	30.9.2022	(1) 30.9.2021
	RM'000	RM'000	RM'000	RM'000
Amortisation of deferred income	(6)	N/A	(66)	N/A
Amortisation of intangible assets	251	N/A	704	N/A
Depreciation of property, plant and equipment	106	N/A	319	N/A
Depreciation of right-of-use assets	160	N/A	480	N/A
Fair value loss on other investment	-	N/A	66	N/A
Interest expense	104	N/A	263	N/A
Interest income	(4)	N/A	(13)	N/A
Property, plant and equipment written off	-	N/A	5	N/A
Net realised gain on foreign exchange	(244)	N/A	(681)	N/A
Net unrealised gain on foreign exchange	(181)	N/A	(303)	N/A

Notes:

- (1) Comparative figures for the preceding year's corresponding period are not presented as this is the first interim financial report announced by the Company in compliance with the Listing Requirements.
- (2) Save for the above, the other disclosure items as required under Rule 16 of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
TT VISION HOLDINGS BERHAD
13 JANUARY 2023