



## **TOPVISION EYE SPECIALIST BERHAD**

Registration No: 201801011816 (1273832-U)  
(Incorporated in Malaysia)

### **FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY TOPVISION EYE SPECIALIST BERHAD ("TOPVISION" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

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**Unaudited Condensed Consolidated Statement of Financial Position As At 31 December 2021 <sup>(1)</sup>**

	Unaudited as at 31 December 2021 RM'000	Audited as at 31 December 2020 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	24,893	24,817
Total non-current assets	<u>24,893</u>	<u>24,817</u>
<b>Current assets</b>		
Inventories	1,235	1,074
Trade receivables	4,069	767
Other receivables	561	489
Cash and bank balances	14,326	8,109
Total current assets	<u>20,191</u>	<u>10,439</u>
<b>TOTAL ASSETS</b>	<u><u>45,084</u></u>	<u><u>35,256</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to the owners of the Company:-</b>		
Share capital	17,331	17,331
Retained earnings	9,421	5,332
Merger deficit	(3,641)	(3,641)
	<u>23,111</u>	<u>19,022</u>
Non-controlling interest	1,015	20
Total equity	<u>24,126</u>	<u>19,042</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	5,979	4,640
Borrowings	7,699	8,224
Deferred tax liabilities	28	28
Total non-current liabilities	<u>13,706</u>	<u>12,892</u>
<b>Current liabilities</b>		
Trade payables	2,976	106
Other payables	2,332	1,519
Lease liabilities	542	782
Borrowings	423	468
Tax payable	979	447
Total current liabilities	<u>7,252</u>	<u>3,322</u>
Total liabilities	<u>20,958</u>	<u>16,214</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>45,084</u></u>	<u><u>35,256</u></u>
Net assets per share (sen) <sup>(2)</sup>	9.44	7.45

**Notes:**

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and the accompanying explanatory notes attached to the interim report.

(2) Net assets per share is calculated based on the Company's number of ordinary shares at the end of the reporting period of 255,595,535 shares as at 31 December 2021 and 31 December 2020 respectively.

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**Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income For the Half-Year Ended 31 December 2021 <sup>(1)</sup>**

	Individual 6 months ended		Cumulative 12 months	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
Revenue	18,545	13,551	32,682	22,486
Cost of services	(9,249)	(6,750)	(16,419)	(11,197)
Gross profit	<u>9,296</u>	<u>6,801</u>	<u>16,263</u>	<u>11,289</u>
Other income	477	333	535	437
Administrative expenses	(4,692)	(4,924)	(8,854)	(8,243)
Finance costs	(259)	(252)	(509)	(530)
Profit before tax	<u>4,822</u>	<u>1,958</u>	<u>7,435</u>	<u>2,953</u>
Tax expense	(1,277)	(1,043)	(2,003)	(1,476)
Profit after tax	<u>3,545</u>	<u>915</u>	<u>5,432</u>	<u>1,477</u>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<u><u>3,545</u></u>	<u><u>915</u></u>	<u><u>5,432</u></u>	<u><u>1,477</u></u>
Total comprehensive income for the financial year attributable to:-				
- Owners of the Company	3,373	915	5,260	1,477
- Non-controlling interest	172	-	172	-
	<u><u>3,545</u></u>	<u><u>915</u></u>	<u><u>5,432</u></u>	<u><u>1,477</u></u>
<b>EARNINGS PER SHARE</b>				
Basic (sen) <sup>(2)</sup>	1.32	0.36	2.06	0.58
Diluted (sen) <sup>(3)</sup>	N/A	N/A	N/A	N/A

**Notes:**

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and the accompanying explanatory notes attached to the interim financial report.

(2) Basic earnings per share is calculated based on the Company's weighted average number of shares of 255,595,535 ordinary shares as at 31 December 2021 and 31 December 2020.

(3) There are no dilutive potential equity instruments that would give a diluted effect to the basic earnings per share.

N/A - Not Applicable

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**Unaudited Condensed Consolidated Statement of Changes in Equity For The Half-Year Ended 31 December 2021 <sup>(1)</sup>**

	Share Capital RM'000	Merger Deficit RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
As at 1 July 2021	17,331	(3,641)	7,271	20,961	43	21,004
Total comprehensive income for the financial period	-	-	3,373	3,373	172	3,545
<b>Transactions with owners:-</b>						
Dividend paid	-	-	(1,278)	(1,278)	-	(1,278)
Transfer of shares to non-controlling interest of a subsidiary	-	-	55	55	20	75
Non-controlling interest shares of a subsidiary acquired by the Group	-	-	-	-	780	780
Total transactions with owners	-	-	(1,223)	(1,223)	800	(423)
Balance at 31 December 2021	<u>17,331</u>	<u>(3,641)</u>	<u>9,421</u>	<u>23,111</u>	<u>1,015</u>	<u>24,126</u>

**Note:**

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and the accompanying explanatory notes attached to the interim financial report.

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**Unaudited Condensed Consolidated Statement of Cash Flow <sup>(1)</sup>**

	Cumulative 12 months ended	
	31 December 2021 RM'000	31 December 2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	7,435	2,953
<b>Adjustments for:</b>		
Bad debts written off	5	39
Depreciation of property, plant and equipment	2,596	2,667
Property, plant and equipment written off	8	1
Gain on disposal of property, plant and equipment	-	(8)
Interest expenses	488	530
Interest income	(76)	(112)
Operating profit before working capital changes	10,456	6,070
<b>Changes in working capital:-</b>		
Inventories	(161)	(34)
Receivables	(3,379)	(659)
Payables	3,683	(245)
Cash generated from operations	10,599	5,132
Interest paid	(626)	(705)
Tax paid	(1,812)	(1,103)
Tax refunded	17	-
Interest received	76	112
<b>Net cash generated from operating activities</b>	8,254	3,436
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(640)	(1,471)
Proceeds from disposal of property, plant and equipment	-	65
Acquisition of subsidiaries, net of cash and cash equivalents	1,104	-
Proceeds from disposal of shares of a subsidiary to non-controlling interest	150	50
<b>Net cash generated from/(used in) investing activities</b>	614	(1,356)
<b>Cash flows from financing activities</b>		
Dividend paid	(1,278)	(1,278)
Repayments of term loans	(570)	(1,393)
Repayments of lease liabilities	(803)	(743)
<b>Net cash used in financing activities</b>	(2,651)	(3,414)
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	6,217	(1,334)
At beginning of the financial year	8,109	9,443
At end of the financial year	14,326	8,109

**Note:**

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flow are disclosed in Note A1 and the accompanying explanatory notes attached to the interim financial report.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED  
31 DECEMBER 2021**

**A. NOTES TO THE FINANCIAL REPORT**

**A1. Basis of Preparation**

The interim financial report of the Company and its subsidiaries ("the Group") are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting.

This is the interim financial report on the Company's unaudited condensed consolidated financial results for the 2nd half-year ended 31 December 2021. The interim financial reporting should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

**A2. Significant Accounting Policies**

The significant accounting policies and presentations adopted by the Group for the interim financial statements are consistent with those adopted in the Audited Financial Statements of the Group for the financial year ended 31 December 2021 except for the adoption of the following amendments/improvements to MFRSs which are applicable to the Group with effect from 1 January 2021:

Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139, Interest Rate Benchmark Reform - Phase 2

The initial application of the above standards, amendments and IC interpretation are not expected to have any financial impacts to the financial statements.

**MFRS effective 1 January 2022**

Amendments to MFRS 3	Business Combinations - Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Provision, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRSs Standards 2018 - 2020:	
	Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141

**MFRS effective 1 January 2023**

MFRS 17	Insurance Contracts
Amendments to MFRS 4	Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Presentation of Financial Statements - Classification of Liabilities as Current or Non- Current
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure of Accounting Policies
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
Amendments to MFRS 112	Income Taxes - Deferred Tax related to Assets and Liabilities arising from a single transactions

**Amendments to MFRSs - effective date deferred indefinitely**

MFRS 10 and 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associates or Joint Venture
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The initial application of the above standards, amendments and IC interpretation are not expected to have any financial impacts to the financial statements.

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**A3. Seasonal or Cyclical Factors**

The Group's operations were not affected materially by seasonal or cyclical factors for the current financial year under review.

**A4. Unusual Items**

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

**A5. Material Changes in Estimates**

There were no material changes in accounting estimates in the current financial year under review.

**A6. Debt and Equity Securities**

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current financial year under review.

**A7. Segmental Information**

Analysis of revenue by business segment

	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
- Provision of ophthalmology services and related medical consultancy	17,393	13,546	31,530	22,486
- Trading of rubber gloves	1,152	-	1,152	-
<b>TOTAL</b>	<b>18,545</b>	<b>13,546</b>	<b>32,682</b>	<b>22,486</b>

**A8. Material Events Subsequent To The End Of The Financial Year**

There were no material events subsequent to the end of the current financial year.

**A9. Changes In The Composition Of The Group**

The changes in the composition of the Group during the current financial year are as follows:-

- (i) The Company had disposed off 150,000 shares in Topvision Eye Specialist Centre (Southkey) Sdn Bhd ("TVESK") representing 7.5% of the total paid-up capital of TVESK to TVESK's resident doctor at RM150,000 pursuant to the Share Option Agreement dated 3 August 2020.
- (ii) The Company had incorporated and subscribed to RM2,000,000 in Topvision Eye Specialist Centre (Taiping) Sdn Bhd ("TVETP") representing 100% of the total paid-up capital of TVETP.
- (iii) The Company had acquired 5,010 shares in Novel Glove International Sdn Bhd ("NGI") representing 50.10% of the total paid-up capital of NGI with the purchase consideration of RM450,000.

**A10. Contingent Assets And Contingent Liabilities**

There were no contingent assets and contingent liabilities as at the date of the interim financial report.

**A11. Capital Commitments**

There were no material capital commitments in respect of property, plant and equipment as at the end of the financial year under review.

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**B1. Review Of Performance**

The Group recorded a revenue of RM32.68 million for the financial year ended 31 December 2021, as compared to RM22.49 million in the immediate preceding year, representing an increase of RM10.19 million or 45.31%. The increase was primarily due to:

- (i) the increase of revenue generated by our Seremban and Southkey centre. Both the above 2 centres only commenced its business in 3rd quarter of year 2020. However, the full swing operation of the above 2 centres during the current financial year had contributed a substantial revenue to the Group; and
- (ii) the organic growth of revenue by our existing 5 centres during the current financial year as compared to the immediate preceding year where the revenue was affected during that period due to the implementation of Movement Control Order ("MCO") on 18 March 2020.

In tandem with the increasing revenue, the Group's profit before tax ("PBT") and profit after tax ("PAT") increased by RM4.48 million and RM3.96 million or 151.78% and 267.77% respectively to RM7.44 million and RM5.43 million for the current financial year.

**B2. Prospects**

The Group remains committed to continuously put in place the following future plans and strategies to leverage on our existing capabilities and competencies to become one of the leading medical eye care group in the country:

- (i) expansion of the Group's network by establishing Topvision International Eye Specialist Centre ("TIESC") by year 2022, and 1 new ambulatory care centre in the Northern Region of Malaysia by quarter 2 of year 2022;
- (ii) expansion of the Group's range of services include refractive suite, offering refractive surgeries for customers wanting spectacle independence such as Laser-Assisted In Situ Keratomileusis ("LASIK") and Implantable Collamer Lens procedure as well as aesthetic double eyelid surgical procedure as an added offering by year 2022 with the establishment of TIESC; and
- (iii) continuously engaging the international markets by strengthening brand awareness and brand recall programmes.

Looking ahead, barring the temporary disruption and adverse impact caused by COVID-19 and any unforeseen circumstances, the Board of Directors of the Company ("Board") is of the opinion that the prospects of the Group's performance for the financial year ending 31 December 2021 will still remain favourable.

**B3. Variance Of Actual Profit From Profit Forecast And Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.



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**C. OTHER INFORMATION**

**C1. STATUS OF CORPORATE PROPOSAL**

There were no corporate proposals announced but pending completion as at the date of this report.

**C2. MATERIAL LITIGATION**

The Board is not aware of any material litigations pending or threatened against the Group as at the date of this report.

**C3. DIVIDENDS**

The Board of Directors has on 26 August 2021 declared a single tier interim dividend of 0.5 sen per ordinary share in respect of the financial year ending 31 December 2021. The interim dividend amounting to RM1,277,978 was paid on 6 October 2021.