

**OPENSYS (M) BERHAD - Company No: 199501040614 (369818-W)**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**

Interim financial report on results for the quarter ended 31 March 2023.

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | INDIVIDUAL PERIOD  |  | CUMULATIVE PERIOD  |              |
|--|--|--|--|--------------|
|  | CURRENT YEAR<br>QUARTER<br>UNAUDITED<br>31.03.2023<br>RM'000 | PRECEDING<br>YEAR<br>CORRESPONDING<br>QUARTER<br>UNAUDITED<br>31.03.2022<br>RM'000 | 03 MONTHS ENDED<br>UNAUDITED<br>31.03.2023<br>31.03.2022<br>RM'000<br>RM'000 |              |
| Revenue  | 17,417   | 17,342   | 17,417   | 17,342       |
| Cost of revenue                                      | (10,078)   | (10,157)   | (10,078)   | (10,157)     |
| Gross profit   | 7,339  | 7,185  | 7,339  | 7,185        |
| Other income   | 262  | 154  | 262  | 154          |
| Research & development expenses                      | (714)  | (639)  | (714)  | (639)        |
| Administration and other expenses                    | (3,130)  | (3,304)  | (3,130)  | (3,304)      |
| Finance costs  | (34)   | (65)   | (34)   | (65)         |
| <b>Profit before tax</b>                             | <b>3,723</b>   | <b>3,331</b>   | <b>3,723</b>   | <b>3,331</b> |
| Tax expense  | (987)  | (875)  | (987)  | (875)        |
| <b>Total comprehensive income<br/>for the period</b> | <b>2,736</b>   | <b>2,456</b>   | <b>2,736</b>   | <b>2,456</b> |
| Attributable to:                                     |  |  |  |              |
| Equity holders of the Company                        | 2,717  | 2,441  | 2,717  | 2,441        |
| Non-controlling interest                             | 19   | 15   | 19   | 15           |
|  | <b>2,736</b>   | <b>2,456</b>   | <b>2,736</b>   | <b>2,456</b> |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME –  
(continued)**

|                                  | INDIVIDUAL PERIOD |                | CUMULATIVE PERIOD |            |
|----------------------------------|-------------------|----------------|-------------------|------------|
|                                  | CURRENT YEAR      | PRECEDING YEAR | 03 MONTHS ENDED   |            |
|                                  | QUARTER           | QUARTER        | UNAUDITED         | UNAUDITED  |
|                                  | UNAUDITED         | UNAUDITED      | UNAUDITED         | UNAUDITED  |
|                                  | 31.03.2023        | 31.03.2022     | 31.03.2023        | 31.03.2022 |
|                                  | RM'000            | RM'000         | RM'000            | RM'000     |
| <b>EARNINGS PER SHARE</b>        |                   |                |                   |            |
| Basic earnings per share (sen)   | 0.61              | 0.55           | 0.61              | 0.55       |
| Diluted earnings per share (sen) | N/A               | N/A            | N/A               | N/A        |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|  | <b>UNAUDITED<br/>AS AT 31.03.2023<br/>RM'000</b> | <b>AUDITED<br/>AS AT 31.12.2022<br/>RM'000</b> |
|--|--|--|
| <b>ASSETS</b>                                |  |  |
| Non-current assets                           |  |  |
| Property, plant & equipment                  | 33,686   | 33,614   |
| Development expenditure                      | 774  | 837  |
| Fixed deposits                               | 8,647  | 8,602  |
|  | -----  | -----  |
|  | 43,107   | 43,053   |
|  | -----  | -----  |
| Current assets                               |  |  |
| Inventories                                  | 12,003   | 10,694   |
| Trade receivables                            | 12,905   | 13,064   |
| Other receivables, deposits &<br>prepayments | 2,217  | 1,583  |
| Income tax assets                            | 36   | 62   |
| Cash and cash equivalents                    | 48,186   | 38,177   |
|  | -----  | -----  |
|  | 75,347   | 63,580   |
|  | -----  | -----  |
| Total assets                                 | 118,454  | 106,633  |
|  | =====  | =====  |
| <b>EQUITY AND LIABILITIES</b>                |  |  |
| Share capital                                | 29,789   | 29,789   |
| Retained earnings                            | 53,990   | 53,060   |
|  | -----  | -----  |
| Equity attributable to equity holders        | 83,779   | 82,849   |
| Non-controlling interest                     | 193  | 174  |
|  | -----  | -----  |
| Total equity                                 | 83,972   | 83,023   |
|  | =====  | =====  |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD - Company No: 199501040614 (369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

– (Continued)

|   | <b>UNAUDITED<br/>AS AT 31.03.2023<br/>RM'000</b> | <b>AUDITED<br/>AS AT 31.12.2022<br/>RM'000</b> |
|---|--|--|
| Non-current liabilities   |  |  |
| Lease liabilities   | 1,305  | 1,019  |
| Term loans  | 3,769  | 4,049  |
| Deferred tax liabilities  | 626  | 3,630  |
| Contract liabilities  | 1,003  | 1,169  |
|   | -----  | -----  |
|   | 6,703  | 9,867  |
|   | -----  | -----  |
| Current liabilities   |  |  |
| Trade payables  | 2,369  | 1,247  |
| Other payables & accruals   | 5,742  | 8,412  |
| Lease liabilities   | 1,503  | 1,587  |
| Term loans  | 892  | 881  |
| Contract liabilities  | 13,869   | 1,280  |
| Income tax liabilities  | 3,404  | 336  |
|   | -----  | -----  |
|   | 27,779   | 13,743   |
|   | -----  | -----  |
| Total liabilities   | 34,482   | 23,610   |
|   | -----  | -----  |
| Total equity and liabilities  | 118,454  | 106,633  |
|   | =====  | =====  |
| Net assets per share attributable to ordinary<br>equity holders of the Company (RM) | 0.19   | 0.19   |
|   | =====  | =====  |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**OPENSYS (M) BERHAD - Company No: 199501040614 (369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  | Attributable to Equity<br>-----Holders of the Company----- |                                |                 | Non-<br>Controlling<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
|--|--|--------------------------------|-----------------|---|---------------------------|
|  | Non-distributable  | Distributable                  |                 |   |                           |
|  | Share<br>Capital<br>RM'000                                 | Retained<br>Earnings<br>RM'000 | Total<br>RM'000 |   |                           |
| As at 1 January 2023   | 29,789   | 53,060                         | 82,849          | 174                                       | 83,023                    |
| Profit for the period,<br>represents total<br>comprehensive income<br>for the period | -  | 2,717                          | 2,717           | 19  | 2,736                     |
| Dividend   | -  | (1,787)                        | (1,787)         | -   | (1,787)                   |
| As at 31 March 2023  | <u>29,789</u>  | <u>53,990</u>                  | <u>83,779</u>   | <u>193</u>                                | <u>83,972</u>             |
| As at 1 January 2022   | 29,789   | 47,621                         | 77,410          | 125                                       | 77,535                    |
| Profit for the period,<br>represents total<br>comprehensive income<br>for the period | -  | 2,441                          | 2,441           | 15  | 2,456                     |
| Dividend   | -  | (1,341)                        | (1,341)         | -   | (1,341)                   |
| As at 31 March 2022  | <u>29,789</u>  | <u>48,721</u>                  | <u>78,510</u>   | <u>140</u>                                | <u>78,650</u>             |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|   | <b>03 MONTHS ENDED</b> |                   |
|---|------------------------|-------------------|
|   | <b>UNAUDITED</b>       | <b>UNAUDITED</b>  |
|   | <b>31.03.2023</b>      | <b>31.03.2022</b> |
|   | <b>RM'000</b>          | <b>RM'000</b>     |
| Cash flows from operating activities                  |                        |                   |
| Profit before tax                                     | 3,723                  | 3,331             |
| Adjustments for:-                                     |                        |                   |
| Amortisation of development expenditure               | 63                     | 17                |
| Depreciation  | 1,708                  | 1,849             |
| Interest expenses                                     | 34                     | 65                |
| Interest income                                       | (216)                  | (128)             |
| Used machines written down                            | -                      | 6                 |
| Gain on disposal of property, plant & equipment       | (38)                   | (27)              |
|   | -----                  | -----             |
| Operating profit before working capital changes       | 5,274                  | 5,113             |
| Changes in working capital:-                          |                        |                   |
| Inventories   | (1,720)                | (1,153)           |
| Receivables   | (475)                  | (5,331)           |
| Payables  | 10,872                 | 11,457            |
|   | -----                  | -----             |
| Cash generated from operations                        | 13,951                 | 10,086            |
| Interest paid   | (34)                   | (65)              |
| Interest received                                     | 216                    | 128               |
| Income tax paid                                       | (894)                  | (706)             |
|   | -----                  | -----             |
| Net cash from operating activities                    | 13,239                 | 9,443             |
|   | -----                  | -----             |
| Cash flows from investing activities                  |                        |                   |
| Purchase of property, plant & equipment ("PPE")       | (860)                  | (618)             |
| Proceeds from disposal of property, plant & equipment | 170                    | 58                |
|   | -----                  | -----             |
| Net cash used in investing activities                 | (690)                  | (560)             |
|   | -----                  | -----             |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - Continued**

|   | <b>03 MONTHS ENDED</b> |                   |
|---|------------------------|-------------------|
|   | <b>UNAUDITED</b>       | <b>UNAUDITED</b>  |
|   | <b>31.03.2023</b>      | <b>31.03.2022</b> |
|   | <b>RM'000</b>          | <b>RM'000</b>     |
| Cash flows from financing activities      |                        |                   |
| Placement of fixed deposits under lien    | (45)                   | (35)              |
| (Repayment to)/Proceeds from:             |                        |                   |
| - banker acceptance                       | -                      | 252               |
| - finance lease liabilities               | (439)                  | (407)             |
| - term loan                               | (269)                  | (236)             |
| Dividend paid                             | (1,787)                | (1,341)           |
|   | -----                  | -----             |
| Net cash used in financing activities     | (2,540)                | (1,767)           |
|   | -----                  | -----             |
| Net changes in cash and cash equivalents  | 10,009                 | 7,116             |
| Cash and cash equivalents brought forward | 38,177                 | 38,441            |
|   | -----                  | -----             |
| Cash and cash equivalents carried forward | 48,186                 | 45,557            |
|   | =====                  | =====             |

**NOTES TO THE STATEMENTS OF CASH FLOWS**

i. Cash and cash equivalents comprise: -

|                                  |         |         |
|----------------------------------|---------|---------|
| Fixed deposits                   | 8,647   | 8,491   |
| Money market instruments         | 31,804  | 7,582   |
| Cash & bank balances             | 16,382  | 37,975  |
|                                  | -----   | -----   |
|                                  | 56,833  | 54,048  |
| Less : Fixed deposits under lien | (8,647) | (8,491) |
|                                  | -----   | -----   |
|                                  | 48,186  | 45,557  |
|                                  | =====   | =====   |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - Continued**

**03 MONTHS ENDED**  
**UNAUDITED      UNAUDITED**  
**31.03.2023      31.03.2022**  
**RM'000            RM'000**

NOTES TO THE STATEMENTS OF CASH FLOWS- (Continued)

ii. Analysis of acquisition of property, plant & equipment :-

|                           |       |     |
|---------------------------|-------|-----|
| Cash                      | 860   | 618 |
| Lease arrangement         | 641   | 17  |
| Transfer from inventories | 411   | 257 |
|                           | 1,912 | 892 |
|                           | 1,912 | 892 |

iii. Reconciliation of liabilities arising from financing activities: -

|                     | As at<br>01.01.2023<br>RM'000 | Principal<br>and interest<br>payments<br>RM'000 | Proceeds<br>RM'000 | Non-cash changes                |                               | As at<br>31.03.2023<br>RM'000 |
|---------------------|-------------------------------|---|--------------------|---------------------------------|-------------------------------|-------------------------------|
|                     |                               |   |                    | Acquisition<br>of PPE<br>RM'000 | Interest<br>expense<br>RM'000 |                               |
| Bank borrowings     |                               |   |                    |                                 |                               |                               |
| - Lease liabilities | 2,606                         | (473)   | -                  | 641                             | 34                            | 2,808                         |
| - Term loan         | 4,930                         | (269)   | -                  | -                               | -                             | 4,661                         |
|                     | 7,536                         | (742)   | -                  | 641                             | 34                            | 7,469                         |
|                     | 7,536                         | (742)   | -                  | 641                             | 34                            | 7,469                         |

|                     | As at<br>01.01.2022<br>RM'000 | Principal<br>and interest<br>payments<br>RM'000 | Proceeds<br>RM'000 | Non-cash changes                |                               | As at<br>31.03.2022<br>RM'000 |
|---------------------|-------------------------------|---|--------------------|---------------------------------|-------------------------------|-------------------------------|
|                     |                               |   |                    | Acquisition<br>of PPE<br>RM'000 | Interest<br>expense<br>RM'000 |                               |
| Bank borrowings     |                               |   |                    |                                 |                               |                               |
| - Banker acceptance | -                             | (2)   | 252                | -                               | 2                             | 252                           |
| - Lease liabilities | 3,505                         | (448)   | -                  | 17                              | 41                            | 3,115                         |
| - Term loan         | 5,922                         | (258)   | -                  | -                               | 22                            | 5,686                         |
|                     | 9,427                         | (708)   | 252                | 17                              | 65                            | 9,053                         |
|                     | 9,427                         | (708)   | 252                | 17                              | 65                            | 9,053                         |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :-

**Disclosure requirements per MFRS 134 - paragraph 16**

**A1. (a) Accounting Policies and Methods of Computation**

The quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the audited condensed consolidated financial statements.

The accounting policies and methods of computation adopted by the Group in unaudited condensed financial statements and unaudited interim financial report are consistent with those adopted in the latest audited financial statements for the financial year ended 31 December 2022.

Effective for financial periods beginning on or after 1 January 2023

|                        |  |
|------------------------|--|
| MFRS 17                | Insurance Contracts  |
| Amendments to MFRS 101 | Classification of Liabilities as Current or Non-current                          |
| Amendments to MFRS 101 | Disclosure of Accounting Policies  |
| Amendments to MFRS 108 | Definition of Accounting Estimates   |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| Amendments to MFRS 16  | Lease Liability in a Sale and Leaseback  |
| Amendments to MFRS 101 | Non-current Liabilities with Covenants   |

Effective date deferred

|                                    |  |
|------------------------------------|--|
| Amendments to MFRS 10 and MFRS 128 | Sales or Contribution of Assets between an Investor and its Associate or Joint Venture |
|------------------------------------|--|

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group is in the process of assessing the financial effect of these pronouncements upon their initial application.

**A2. Qualification of Financial Statements**

The Auditors’ Report on the financial statements of the Group for the year ended 31 December 2022 was not subject to any qualification.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A3. Seasonality or Cyclicity of Operations**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**A4. Exceptional or Unusual Items**

During the current financial quarter, there was no item of exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

**A5. Changes in Estimates of Amounts Reported**

There was no change in estimate of amount reported that has a material effect in the current financial quarter under review.

**A6. Changes in Debt Securities and Equity Securities**

During the current financial quarter, there were no issuances, cancellation, repurchase, resale and repayment of debt securities and equity securities.

**A7. Dividend paid**

The first interim dividend of 0.40 sen per ordinary share amounting to RM1,787,356 was declared on 20 February 2023 and paid on 16 March 2023 in respect of the year ending 31 December 2023.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A8. Segmental Reporting**

|                                      | <b>Hardware</b> | <b>Solutions</b>    | <b>Consolidated</b> |
|--------------------------------------|-----------------|---------------------|---------------------|
|                                      | <b>RM'000</b>   | <b>and Services</b> | <b>RM'000</b>       |
|                                      | <b>RM'000</b>   | <b>RM'000</b>       | <b>RM'000</b>       |
| <b>03 months ended 31 March 2023</b> |                 |                     |                     |
| Total revenue                        | 847             | 16,570              | 17,417              |
| Segment results                      | 143             | 7,196               | 7,339               |
| Unallocated other income             |                 |                     | 262                 |
| Unallocated operating expenses       |                 |                     | (3,878)             |
| Profit before tax                    |                 |                     | <u>3,723</u>        |
| <b>03 months ended 31 March 2022</b> |                 |                     |                     |
| Total revenue                        | 2,515           | 14,827              | 17,342              |
| Segment results                      | 366             | 6,819               | 7,185               |
| Unallocated other income             |                 |                     | 154                 |
| Unallocated operating expenses       |                 |                     | (4,008)             |
| Profit before tax                    |                 |                     | <u>3,331</u>        |

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**OPENSYS (M) BERHAD - Company No: 199501040614 (369818-W)**  
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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**A9. Material Events Subsequent to the End of the Current Quarter**

There were no other material events subsequent to the end of the current financial quarter up to the date of this announcement.

**A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group subsequent to the end of the current financial quarter up to the date of this announcement.

**A11. Changes in Contingent Liabilities or Contingent Assets**

There was no significant change in the contingent liabilities of the Group since the last financial year ended 31 December 2022.

**A12. Material Capital Commitments**

There are no material capital commitments at the end of the current reporting quarter.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**Disclosure requirements required by the Listing Requirements of Bursa Securities for the Main Market**

**B1. Group’s Review of Performance**

|                   | INDIVIDUAL PERIOD                                |  |          | CUMULATIVE PERIOD           |                             |          |
|-------------------|--|--|----------|-----------------------------|-----------------------------|----------|
|                   | Current Year Quarter Unaudited 31.03.2023 RM'000 | Preceding Year Corresponding Quarter Unaudited 31.03.2022 RM'000 | Change % | 03 Months Ended             |                             |          |
|                   |  |  |          | Unaudited 31.03.2023 RM'000 | Unaudited 31.03.2022 RM'000 | Change % |
| Revenue           | 17,417   | 17,342   | 0.4      | 17,417                      | 17,342                      | 0.4      |
| Profit before tax | 3,723  | 3,331  | 11.8     | 3,723                       | 3,331                       | 11.8     |

The Group’s quarterly revenue for the three months ended 31 March 2023 (1Q2023) remained stable at RM17.417 million, which is comparable to the corresponding quarter last year (1Q2022). The Solutions and Services segment registered a solid growth of 11.8% in 1Q2023, reaching RM16.57 million from RM14.827 million in 1Q2022. This was driven by the increased demand for maintenance services of Cash Recycling Machines (“CRMs”) due to the higher number of CRMs that entered maintenance mode annually. Although there was a drop in revenue from the hardware segment from RM2.515 million to RM0.847 million in 1Q2023 due to supply chain disruptions, the Group expects revenue to normalize in the upcoming quarters as supply chain disruptions ease and customer demand for CRMs and other hardware equipment increases.

While revenue hold steady for the quarter, the Group achieved a higher profit before tax (“PBT”) of RM3.723 million in 1Q2023, showing a respectable increase of 11.8% compared to RM3.331 million in 1Q2022. This increase is mainly due to the higher profit contribution from maintenance services and lower administrative expenses.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B2. Group’s Comparison with Preceding Quarter**

|                   | <b>03 MONTHS ENDED</b> |                   |               |
|-------------------|------------------------|-------------------|---------------|
|                   | <b>UNAUDITED</b>       | <b>UNAUDITED</b>  |               |
|                   | <b>31.03.2023</b>      | <b>31.12.2022</b> | <b>CHANGE</b> |
|                   | <b>RM’000</b>          | <b>RM’000</b>     | <b>%</b>      |
| Revenue           | 17,417                 | 26,819            | (35.1)        |
| Profit before tax | 3,723                  | 4,150             | (10.3)        |

The lower revenue of RM17.417 million for the current quarter ended 31 March 2023 as compared to RM26.819 million in the preceding quarter was due to the strong seasonal deployment of CRMs in the preceding quarter. As a result, the Group posted a lower profit before tax (“PBT”) of RM3.723 million for the current quarter as compared to RM4.150 million in the preceding quarter. The higher profit achieved in the preceding quarter was mainly due to fulfilment of most customers’ backlog orders for CRMs and enhancement services before the end of the calendar year 2022.

**B3. Prospects**

The reopening of the economy and borders have revitalised Malaysia’s economic activities and led to an encouraging Gross Domestic Product (GDP) growth of 8.9% for 2022, exceeding the earlier forecasts of 6.5% to 7.0%. While economic growth is expected to moderate to 4.2% in 2023 amid more challenging global environment, the Group remains cautiously optimistic about the future.

Market sentiment has improved particularly in the Group’s CRM business segment. Banks have resumed procurement activities and the Group has recorded robust CRM hardware sales growth in FY2022, signalling a stable recovery of this business segment to pre-pandemic levels.

Despite the challenges posed by the Covid-19 pandemic, the Group’s services business segments have remained resilient and continue to drive revenue and profits as demand grows for the Group’s maintenance services for CRMs, bill payment and top-up kiosks, cash in transit services, cheque processing and software development services.

Looking ahead, while core businesses are seeing resilient growth and strong rebound, the Group will focus on growing new revenue streams of SmartCIT, Branch Of The Future solutions, buySolar online marketplace, merchant acquiring services and e-wallet top-up kiosks to further improve the top and bottom lines.

Barring any unforeseen circumstances, the Group expects its performance to be satisfactory in FY2023 and beyond. The Group remains committed to creating long-term value for its shareholders through sustained growth and profitability by leveraging its core strengths and exploring new opportunities.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B4. Profit Forecast**

No profit forecast was announced; hence there is no comparison between actual results and forecast.

**B5. Group's Tax Expense**

Tax expense comprises the following:-

|              | INDIVIDUAL PERIOD |                | CUMULATIVE PERIOD |            |
|--------------|-------------------|----------------|-------------------|------------|
|              | CURRENT YEAR      | PRECEDING YEAR | 03 MONTHS ENDED   |            |
|              | QUARTER           | CORRESPONDING  | UNAUDITED         | UNAUDITED  |
|              | UNAUDITED         | QUARTER        | UNAUDITED         | UNAUDITED  |
|              | 31.03.2023        | 31.03.2022     | 31.03.2023        | 31.03.2022 |
|              | RM'000            | RM'000         | RM'000            | RM'000     |
| Current year | 3,992             | 4,031          | 3,992             | 4,031      |
| Deferred tax | (3,005)           | (3,156)        | (3,005)           | (3,156)    |
|              | -----             | -----          | -----             | -----      |
|              | 987               | 875            | 987               | 875        |
|              | =====             | =====          | =====             | =====      |

The higher effective tax rate of the Group as compared to the Malaysia statutory income tax rate for the current financial quarter and financial year to date is mainly due to non tax deductibility of certain expenses incurred by the Group.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**B6. Profit for the period**

|   | <b>Current<br/>Quarter<br/>31.03.2023<br/>RM'000</b> | <b>Year<br/>to date<br/>31.03.2023<br/>RM'000</b> |
|---|--|---|
| Interest income                                 | (216)  | (216)   |
| Interest expenses                               | 34   | 34  |
| Amortisation of development expenditure         | 63   | 63  |
| Depreciation                                    | 1,708  | 1,708   |
| Gain on disposal of property, plant & equipment | (38)   | (38)  |
| Realised gain on foreign exchange               | (5)  | (5)   |
|   | =====  | =====   |

Other than the above items, there were no other income including investment income, write off of receivables, allowance for impairment, gain or loss on disposal of quoted or unquoted investment, impairment of assets, gain or loss on derivatives and exceptional items for the current financial quarter and financial year to date.

**B7. Corporate Proposals**

There are no corporate proposals announced by the Group as at the date of this announcement.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

**Notes :- (continued)**

**B8. Group's Borrowings**

The breakdown of the borrowings is set out below:-

|                                      | <b>UNAUDITED<br/>AS AT 31.03.2023<br/>RM'000</b> | <b>AUDITED<br/>AS AT 31.12.2022<br/>RM'000</b> |
|--------------------------------------|--|--|
| <b>Secured short-term borrowings</b> |  |  |
| Lease liabilities                    | 1,503  | 1,587  |
| Term loans                           | 892  | 881  |
|                                      | -----  | -----  |
|                                      | 2,395  | 2,468  |
|                                      | -----  | -----  |
| <b>Secured long-term borrowings</b>  |  |  |
| Lease liabilities                    | 1,305  | 1,019  |
| Term loans                           | 3,769  | 4,049  |
|                                      | -----  | -----  |
|                                      | 5,074  | 5,068  |
|                                      | -----  | -----  |
| Total borrowings                     | 7,469  | 7,536  |
|                                      | =====  | =====  |

**B9. Material Litigation**

There was no material litigation pending as at the date of this announcement.

**B10. Dividend**

The first interim dividend of 0.40 sen per ordinary share amounting to RM1,787,356 was declared on 20 February 2023 and paid on 16 March 2023 in respect of the year ending 31 December 2023.

The second interim dividend of 0.40 sen per ordinary share amounting to RM1,787,351 was declared on 22 May 2023 and will be paid on 16 June 2023 in respect of the year ending 31 December 2023.

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**UNAUDITED INTERIM FINANCIAL REPORT – (Continued)**

Notes :- (continued)

**B11. Group's Earnings Per Share**

**(i) Basic earnings per share**

The basic earnings per share of the Group have been computed by dividing the profit for the period by the number of ordinary shares in issue during the period.

|   | INDIVIDUAL PERIOD<br>PRECEDING<br>YEAR             |   | CUMULATIVE PERIOD                          |                         |
|---|--|---|--|-------------------------|
|   | CURRENT YEAR<br>QUARTER<br>UNAUDITED<br>31.03.2023 | CORRESPONDING<br>QUARTER<br>UNAUDITED<br>31.03.2022 | 03 MONTHS ENDED<br>UNAUDITED<br>31.03.2023 | UNAUDITED<br>31.03.2022 |
| Profit attributable<br>to owners (RM'000) | 2,717  | 2,441   | 2,717                                      | 2,441                   |
| Number of<br>ordinary shares ('000)       | 446,838  | 446,838   | 446,838                                    | 446,838                 |
| Basic earnings per share (sen)            | 0.61   | 0.55  | 0.61                                       | 0.55                    |

**(ii) Diluted earnings per share**  
Not applicable.

By Order of the Board  
LIM SECK WAH  
Secretary  
Kuala Lumpur