



VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 ⁽¹⁾⁽²⁾**

| | Note | Individual Quarter | | Cumulative Quarter | |
|--|------------|--------------------|---------------------|--------------------|---------------------|
| | | 31 December | | 31 December | |
| | | 2022 | 2021 ⁽²⁾ | 2022 | 2021 ⁽²⁾ |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | 92,643 | N/A | 304,035 | N/A |
| Cost of sales | | (79,305) | N/A | (259,747) | N/A |
| Gross profit | | 13,338 | N/A | 44,288 | N/A |
| Other income | | 216 | N/A | 1,612 | N/A |
| Finance income | | 122 | N/A | 363 | N/A |
| Administrative and operating expenses | | (2,450) | N/A | (9,655) | N/A |
| Finance costs | | (617) | N/A | (1,866) | N/A |
| Profit before tax | <i>B11</i> | 10,609 | N/A | 34,742 | N/A |
| Tax expense | <i>B5</i> | (3,078) | N/A | (9,632) | N/A |
| Profit/Total comprehensive income for the financial year | | 7,531 | N/A | 25,110 | N/A |
| Profit/Total comprehensive income for the financial year attributable to: | | | | | |
| Owners of the Company | | 7,531 | N/A | 25,110 | N/A |
| Earnings per share: | | | | | |
| Basic/Diluted (sen) | <i>B10</i> | 0.80 | N/A | 2.66 | N/A |

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Accountants' Report as disclosed in the prospectus of Vestland Berhad ("Vestland" or "the Company") dated 27 December 2022 ("Prospectus") and the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

N/A Not applicable

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 ⁽¹⁾**

| | (Unaudited) | (Audited) |
|------------------------------------|-------------------------|-------------------------|
| | 31 December 2022 | 31 December 2021 |
| Note | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 11,428 | 8,994 |
| Right-of-use assets | 907 | 2,080 |
| Investment properties | 12,100 | 15,950 |
| Cash and cash equivalents | 19,904 | 10,847 |
| Deferred tax assets | - | 97 |
| | <hr/> | <hr/> |
| Total non-current assets | 44,339 | 37,968 |
| Current assets | | |
| Trade receivables | 117,828 | 79,252 |
| Other receivables | 24,663 | 28,731 |
| Contract assets | 18,146 | 17,083 |
| Cash and cash equivalents | 21,324 | 3,889 |
| | <hr/> | <hr/> |
| Total current assets | 181,961 | 128,955 |
| Assets classified as held-for-sale | 669 | 1,829 |
| | <hr/> | <hr/> |
| TOTAL ASSETS | 226,969 | 168,752 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 46,459 | 1,750 |
| Merger deficit | (44,709) | - |
| Retained earnings | 69,809 | 44,699 |
| | <hr/> | <hr/> |
| Total equity | 71,559 | 46,449 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | 19,250 | 19,192 |
| Lease liabilities | 603 | 1,109 |
| Deferred tax liabilities | 42 | - |
| | <hr/> | <hr/> |
| Total non-current liabilities | 19,895 | 20,301 |

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 ⁽¹⁾ (CONT'D)**

| | (Unaudited) | (Audited) |
|---|-------------------------|-------------------------|
| Note | 31 December 2022 | 31 December 2021 |
| | RM'000 | RM'000 |
| EQUITY AND LIABILITIES (CONT'D) | | |
| LIABILITIES (CONT'D) | | |
| Current liabilities | | |
| Trade payables | 87,340 | 68,273 |
| Other payables | 15,523 | 20,685 |
| Contract liabilities | 1,815 | 2,824 |
| Borrowings | 26,202 | 6,914 |
| Lease liabilities | 191 | 1,032 |
| Tax payable | 4,444 | 2,274 |
| | <hr/> | <hr/> |
| Total current liabilities | 135,515 | 102,002 |
| | <hr/> | <hr/> |
| Total liabilities | 155,410 | 122,303 |
| | <hr/> | <hr/> |
| TOTAL EQUITY AND LIABILITIES | 226,969 | 168,752 |
| | <hr/> | <hr/> |
| Net assets per ordinary share ⁽²⁾ (sen) | 7.58 | 4.92 |
| | <hr/> | <hr/> |

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Financial Position 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 attributable to owners of the Company is computed based on equity attributable to owners of the Company divided by the Company's enlarged number of ordinary shares in issue of 944,308,700 after the completion of the Initial Public Offering ("IPO") of the Company.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 ⁽¹⁾⁽²⁾**

| | <u>Non-distributable</u> | | <u>Distributable</u> | Total equity RM'000 |
|---|---------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| | Share capital RM'000 | Merger deficit RM'000 | Retained earnings RM'000 | |
| Balance as at 1 January 2022 | 1,750 | - | 44,699 | 46,449 |
| Transactions with owners:- | | | | |
| Acquisition of a subsidiary | (1,750) | 1,750 | - | - |
| Issuance of ordinary shares pursuant to acquisition of a subsidiary | 46,459 | (46,459) | - | - |
| Total transactions with owners | 44,709 | (44,709) | - | - |
| Total comprehensive income for the financial year | - | - | 25,110 | 25,110 |
| Balance as at 31 December 2022 | <u>46,459</u> | <u>(44,709)</u> | <u>69,809</u> | <u>71,559</u> |

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Changes in Equity 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) There are no comparative figures for the preceding corresponding year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 ⁽¹⁾⁽²⁾**

| | 12-month ended 31 December 2022 RM'000 | 12-month ended 31 December 2021⁽²⁾ RM'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 34,742 | N/A |
| Adjustments for:- | | |
| Amortisation of investment properties | 7 | N/A |
| Depreciation of property, plant and equipment | 696 | N/A |
| Depreciation of right-of-use assets | 566 | N/A |
| Interest expenses | 1,891 | N/A |
| Interest income | (363) | N/A |
| Gain on disposal of investment properties | (435) | N/A |
| Gain on disposal of assets held-for-sale, net of Real Property Gain Tax | (92) | N/A |
| Loss on disposal of property plant and equipment | 70 | N/A |
| Property, plant and equipment written off | 2 | N/A |
| Operating profit before working capital changes | 37,084 | N/A |
| Changes in working capital:- | | |
| Receivables | (39,995) | N/A |
| Payables | 19,143 | N/A |
| Contract assets | (1,089) | N/A |
| Contract liabilities | (1,009) | N/A |
| Cash generated from operations | 14,134 | N/A |
| Tax paid | (7,323) | N/A |
| Net cash from operating activities | 6,811 | N/A |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 363 | N/A |
| Purchase of property, plant and equipment | (529) | N/A |
| Purchase of right-of-use assets | (104) | N/A |
| Proceeds from disposal of assets held-for-sale | 1,920 | N/A |
| Proceeds from disposal of investment properties | 3,609 | N/A |
| Proceeds from disposal of property, plant and equipment | 5 | N/A |
| Repayment from companies in which certain Directors have interest | 4,188 | N/A |
| Repayment from third parties | 1,300 | N/A |
| Net cash from investing activities | 10,752 | N/A |

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 ⁽¹⁾⁽²⁾ (CONT'D)**

| | 12-month ended 31 December 2022 RM'000 | 12-month ended 31 December 2021⁽²⁾ RM'000 |
|--|---|---|
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest paid | (1,866) | N/A |
| Placement of fixed deposits | (6,822) | N/A |
| Placement of bank balance pledged | (2,235) | N/A |
| Repayment of term loans | (16,981) | N/A |
| Repayment of lease liabilities | (1,587) | N/A |
| Drawdown of term loans | 10,295 | N/A |
| Drawdown of revolving credit | 19,068 | N/A |
| | <hr/> | <hr/> |
| Net cash used in financing activities | (128) | N/A |
| | <hr/> | <hr/> |
| Net changes in cash and cash equivalents | 17,435 | N/A |
| Cash and cash equivalents at beginning of financial year | 3,889 | N/A |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of financial year | 21,324 | N/A |
| | <hr/> <hr/> | <hr/> <hr/> |
| CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 31,377 | N/A |
| Fixed deposit with licensed banks | 9,851 | N/A |
| | <hr/> | <hr/> |
| | 41,228 | N/A |
| Less: Bank balance pledged with a licensed bank | (10,053) | N/A |
| Less: Fixed deposits pledged with licensed banks | (9,851) | N/A |
| | <hr/> | <hr/> |
| | 21,324 | N/A |
| | <hr/> <hr/> | <hr/> <hr/> |

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Cash Flows 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) There are no comparative figures for the preceding corresponding year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

N/A Not applicable

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING****A1 Basis of Preparation**

The interim financial report of Vestland and its subsidiary (“the Group”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the second interim financial report on the Group’s unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial report 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.

A2 Significant Accounting Policies

The significant accounting policies and methods of computation applied in this interim financial report are consistent with those adopted in preparation of the Accountants’ Report as disclosed in the Prospectus, except for the following new MFRSs, interpretation and amendments to MFRSs that have been adopted by the Group for the financial year beginning on or after 1 January 2022:

| Title | Effective Date |
|---|-----------------------|
| Amendments to MFRS 3 <i>Business combinations: Reference to the conceptual framework</i> | 1 January 2022 |
| Amendments to MFRS 116 <i>Property, plant and equipment: Proceeds before intended use</i> | 1 January 2022 |
| Amendments to MFRS 137 <i>Provisions, contingent liabilities and contingent assets: Onerous contracts - cost of fulfilling a contract</i> | 1 January 2022 |
| Annual improvements to MFRS Standards 2018 - 2020 | 1 January 2022 |

The adoption of the above did not have any significant effects on this interim financial report upon their initial application.

A3 Auditors’ Report on Preceding Annual Financial Statements

Vestland was incorporated under Companies Act 2016 on 10 November 2021 and only completed the acquisition of its subsidiary, Vestland Resources Sdn Bhd (“Vestland Resources”) on 20 April 2022. There was no auditors’ report on the Group for preceding annual financial statements. However, the audited financial statements of Vestland Resources for the financial year ended 31 December 2021 and Vestland for the two-month financial period ended 31 December 2021 were not subject to any qualification. The preceding audited combined financial statements of the Group are prepared based on combination or aggregation of the audited financial statements of respective companies within the Group.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

(Incorporated in Malaysia)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)

A4 Seasonal or Cyclical Factors

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

A5 Material Unusual Items

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

A6 Material Change in Estimates

There were no changes in estimates that have a material effect on the results for the current quarter and financial year under review.

A7 Debt and Equity Securities

Save as disclosed in Note A11 and B6, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and financial year under review.

A8 Dividend

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

A9 Segmental Information

The Group is principally involved in the building construction works.

Information on operating segment has not been reported as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely building construction works. Information about geographical areas has also not been reported as the Group's principal market is only in Malaysia.

A10 Material Events Subsequent to the End of the Quarter

Save as disclosed in Note B6, there were no material events subsequent to the end of the current quarter and financial year under review.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)****A11 Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year under review, except the following:

- a. On 20 April 2022, Vestland had completed the acquisition of the entire equity interest in Vestland Resources comprising 1,750,000 ordinary shares for a purchase consideration of RM46.46 million which was wholly satisfied via the allotment and issuance of 774,308,600 new ordinary shares in the Company at an issue price of RM0.06 each.

A12 Contingent Liabilities and Contingent Assets

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

A13 Material Capital Commitment

The Group does not have any material capital commitment as at the date of this interim financial report.

A14 Significant Related Party Transactions

The significant related party transactions of the Group are as shown below.

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | <u>31 December</u> | | <u>31 December</u> | |
| | <u>2022</u> | <u>2021⁽¹⁾</u> | <u>2022</u> | <u>2021⁽¹⁾</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Transaction with companies in which a person connected to a Director has interest: | | | | |
| Sales | - | N/A | 738 | N/A |
| Purchases | * | N/A | 337 | N/A |
| Machineries services and repair expenses | 11 | N/A | 79 | N/A |
| Rental expenses | 2,868 | N/A | 9,870 | N/A |

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

N/A Not applicable

* Amount less than RM1,000

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS****B1 Review of Performance**

| | Individual Quarter | | | | Cumulative Quarter | | | |
|--------------------------------|--------------------|--------------|---------------------|------------|--------------------|--------------|---------------------|------------|
| | 31 December | | | | 31 December | | | |
| | 2022 | | 2021 ⁽¹⁾ | | 2022 | | 2021 ⁽¹⁾ | |
| | RM'000 | % | RM'000 | % | RM'000 | % | RM'000 | % |
| Building construction | | | | | | | | |
| Build segment | 24,265 | 26.2 | N/A | N/A | 92,130 | 30.3 | N/A | N/A |
| Design and build segment | 64,998 | 70.1 | N/A | N/A | 204,821 | 67.4 | N/A | N/A |
| | 89,263 | 96.3 | N/A | N/A | 296,951 | 97.7 | N/A | N/A |
| Civil engineering works | 3,380 | 3.7 | N/A | N/A | 7,084 | 2.3 | N/A | N/A |
| Total revenue | 92,643 | 100.0 | N/A | N/A | 304,035 | 100.0 | N/A | N/A |

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

N/A Not applicable

The Group recorded a revenue of RM92.6 million and RM304.0 million respectively for current quarter and financial year ended 31 December 2022. The Group achieved a profit before tax of RM10.6 million and RM34.7 million respectively for current quarter and financial year ended 31 December 2022.

The Group's revenue for current quarter and financial year ended 31 December 2022 is mainly attributed to its design and build segment which contributed RM65.0 million (70.1%) and RM204.8 million (67.4%) respectively of total revenue. The revenue attributed to the design and build segment mainly consists of revenue recognised from Beluran Police Camp Project, Residensi Armani Petaling (Cheras) Project, Armani Subang SOHO Project, Residensi Armani Bukit Lanjan Project and KKIP Warehouse Project.

The Group recognised profit before tax of RM34.7 million for the financial year ended 31 December 2022 after deducting expenses which are mainly attributed to administrative and operating expenses of RM9.7 million, which mainly consists of staff cost, directors' remuneration and professional fees mainly for our IPO exercise.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)****B2 Comparison with Immediate Preceding Quarter**

| | Individual Quarter | | Difference | |
|-------------------|---------------------------|--------------------------|-------------------|----------|
| | Current | Preceding | | |
| | 31 December 2022 | 30 September 2022 | RM'000 | % |
| | RM'000 | RM'000 | | |
| Revenue | 92,643 | 71,478 | 21,165 | 29.6 |
| Profit before tax | 10,609 | 9,062 | 1,547 | 17.1 |

The Group achieved revenue of RM92.6 million for current quarter ended 31 December 2022, which was RM21.2 million or 29.6% higher than the Group's revenue of RM71.4 million for immediate preceding quarter. The higher revenue was mainly due to the increase in revenue from the design and build segment, where higher percentage of work done was achieved in the current quarter.

The Group's profit before tax increased by RM1.5 million or 17.1% to RM10.6 million for the current quarter ended 31 December 2022 as compared to RM9.1 million for the immediate preceding quarter. The higher profit before tax was mainly due to the higher gross profit of RM13.3 million for the current quarter ended 31 December 2022 as compared to RM10.9 million for the immediate preceding quarter, which was in line with the increase in revenue. The increase in profit before tax was partially offset by the increase in administrative and operating expenses for the current quarter ended 31 December 2022, which was mainly due to higher professional fees for our IPO exercise.

B3 Prospects of the Group

As disclosed in Sections 7.18.1 and 7.18.2 of the Prospectus, the Group has the following future plans:

- a. continue to strengthen its core competency in construction services; and
- b. operational facility expansion.

Moving forward, the Group will continue to strengthen and leverage from its core competency in building construction as well as its expansion into design and build projects to support its business growth. With our design and build capabilities, the Group will continue to focus its efforts to explore opportunities in design and build projects for both residential and non-residential building sector.

The Group believes that its prospects in the construction industry are favourable in view of the outlook of the construction industry as set out in Section 8 of the Prospectus, its competitive strengths as set out in Section 7.3 of the Prospectus and its strategies and plans as set out in Section 7.18 of the Prospectus.

Barring any unforeseen circumstances, the Board of Directors is cautiously optimistic about the future prospects of the Group.

B4 Profit Forecast

The Group did not issue any profit forecast or profit guarantee in any announcement or public document during current quarter and financial year under review.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)****B5 Tax Expense**

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | <u>31 December</u> | | <u>31 December</u> | |
| | <u>2022</u> | <u>2021⁽¹⁾</u> | <u>2022</u> | <u>2021⁽¹⁾</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Tax expense: | | | | |
| - current financial period/year | 3,025 | N/A | 9,273 | N/A |
| - under provision in prior financial year | - | N/A | 220 | N/A |
| | <u>3,025</u> | <u>N/A</u> | <u>9,493</u> | <u>N/A</u> |
| Deferred tax: | | | | |
| - current financial period/year | 53 | N/A | 82 | N/A |
| - over provision in prior financial year | - | N/A | 57 | N/A |
| | <u>53</u> | <u>N/A</u> | <u>139</u> | <u>N/A</u> |
| Total tax expense | <u>3,078</u> | <u>N/A</u> | <u>9,632</u> | <u>N/A</u> |
| Effective tax rate (%) | 29 | N/A | 28 | N/A |
| Statutory tax rate (%) | 24 | N/A | 24 | N/A |

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

N/A Not applicable

The effective tax rate of the Group for the financial year ended 31 December 2022 was higher than the statutory tax rate as certain expenses were not tax deductible, which include mainly professional fees for the IPO exercise and interest expense for term loan.

B6 Status of Corporate Proposals

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company had undertaken an IPO of 240,800,000 ordinary shares ("Shares") at an IPO price of RM0.33 per Share comprising public issue of 170,000,000 new Shares ("Public Issue") and offer for sale of 70,800,000 existing Shares to selected investors by way of private placement.

Pursuant to the completion of the IPO, the issued share capital of the Company increased to RM102,558,616 prior to deduction of listing expenses, comprising 944,308,700 Shares. The Company's Shares were successfully listed on the ACE Market of Bursa Securities on 31 January 2023.

Save as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)****B7 Utilisation of Proceeds from Public Issue**

The gross proceeds of approximately RM56.10 million raised from the Public Issue is intended to be utilised in the following manner:

| <u>Details of utilisation</u> | <u>Proposed utilisation</u> | | <u>Actual utilisation</u> RM'000 | <u>Balance to be utilised</u> RM'000 | <u>Estimated timeframe for utilisation upon listing</u> |
|--|-----------------------------|---------------|-------------------------------------|---|---|
| | RM'000 | % | | | |
| Acquisition of the new head office/ refinancing of borrowings for acquisition of the new head office | 7,502 | 13.37 | - | 7,502 | Within 3 months |
| Performance bond and/or cash deposits for construction projects | 10,800 | 19.25 | 7,825 | 2,975 | Within 15 months |
| Working capital | 33,498 | 59.71 | 2,474 | 31,024 | Within 12 months |
| Estimated listing expenses | 4,300 | 7.67 | 4,128 | 172 | Within 3 months |
| Total | 56,100 | 100.00 | 14,427 | 41,673 | |

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus.

B8 Borrowings

The details of the Group's borrowings are as follows:-

| | 31 December 2022 RM'000 | 31 December 2021 RM'000 |
|--------------------|-----------------------------------|-----------------------------------|
| Non-current | | |
| Term loans | 19,250 | 19,192 |
| Lease liabilities | 603 | 1,109 |
| | <u>19,853</u> | <u>20,301</u> |
| Current | | |
| Term loans | 1,591 | 1,371 |
| Revolving credits | 24,611 | 5,543 |
| Lease liabilities | 191 | 1,032 |
| | <u>26,393</u> | <u>7,946</u> |
| Total | <u>46,246</u> | <u>28,247</u> |

All the borrowings are secured and denominated in Ringgit Malaysia.

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)****B9 Material Litigation**

As at the date of this interim financial report, there was no material litigation or arbitration, and the Directors are not aware of any pending proceedings or any fact likely to give rise to any proceedings, which may materially and adversely affect the financial position or performance of the Group.

B10 Earnings per Share (“EPS”)

The basic and diluted EPS of the Group for the current quarter and financial year ended 31 December 2022 are as follows:-

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | <u>31 December</u> | | <u>31 December</u> | |
| | <u>2022</u> | <u>2021⁽¹⁾</u> | <u>2022</u> | <u>2021⁽¹⁾</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Profit attributable to the owners of Company | 7,531 | N/A | 25,110 | N/A |
| Number of ordinary shares ('000) | 944,309 | N/A | 944,309 | N/A |
| Basic ⁽²⁾ /Diluted ⁽³⁾ EPS (sen) | <u>0.80</u> | <u>N/A</u> | <u>2.66</u> | <u>N/A</u> |

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.
- (2) Basic EPS is computed based on profit attributable to owners of the Company divided by the Company's enlarged number of ordinary shares in issue of 944,308,700 after the completion of the IPO of the Company.
- (3) Diluted EPS is equivalent to the basic EPS as the Group does not have any potential dilutive ordinary share in issue during and at the end of the financial year under review.

N/A Not applicable

VESTLAND BERHAD

Registration No. 202101037563 (1437863-M)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)****B11 Notes to the Statements of Profit or Loss and Other Comprehensive Income**

The Group's profit before tax has been arrived at after charging / (crediting):

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | <u>31 December</u> | | <u>31 December</u> | |
| | <u>2022</u> | <u>2021⁽¹⁾</u> | <u>2022</u> | <u>2021⁽¹⁾</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Amortisation of investment properties | - | N/A | 7 | N/A |
| Depreciation of: | | | | |
| - property, plant and equipment | 139 | N/A | 696 | N/A |
| - right-of-use assets | 122 | N/A | 566 | N/A |
| Interest expense | 618 | N/A | 1,891 | N/A |
| Loss on disposal of: | | | | |
| - property, plant and equipment | - | N/A | 70 | N/A |
| Property, plant and equipment written off | - | N/A | 2 | N/A |
| Interest income | (122) | N/A | (363) | N/A |
| (Gain)/Loss on disposal of: | | | | |
| - investment properties | (466) | N/A | (435) | N/A |
| - assets held-for-sale | 350 | N/A | (92) | N/A |

Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and year as this is the second interim financial report for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements.

N/A Not applicable

Save as disclosed above, the other required disclosure items pursuant to Note 16 of Appendix 9B of the Listing Requirements are not applicable.

B12 Authorisation for Issue

The interim financial report for the financial year ended 31 December 2022 was authorised for issuance by the Board of Directors on 27 February 2023.