VESTLAND BERHAD
Registration No. 202101037563 (1437863-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [(1)]

		Individual Quarter		Cumulative Quarter	
		30 June		30 June	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		**250,241**	**213,182**	**449,718**	**370,582**
Cost of sales		(225,901)	(191,078)	(405,608)	(329,209)
Gross profit		**24,340**	**22,104**	**44,110**	**41,373**
Other income		279	267	536	563
Finance income		386	429	846	873
Administrative and operating expenses		(3,350)	(2,691)	(7,097)	(6,348)
Finance costs		(5,834)	(5,732)	(11,655)	(11,501)
Profit before tax	*B10*	**15,821**	**14,377**	**26,740**	**24,960**
Tax expense	*B5*	(3,873)	(3,693)	(6,713)	(6,463)
Profit/Total comprehensive income for the financial period		**11,948**	**10,684**	**20,027**	**18,497**
Profit/Total comprehensive income for the financial period attributable to:					
Owners of the Company		11,948	10,684	20,027	18,497
Earnings per share:					
Basic/Diluted (sen)	*B9*	1.27	1.13	2.12	1.96

Note:

(1) The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of Vestland Berhad ("Vestland" or "the Company") for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (1)

	Note	(Unaudited) 30 June 2026 RM'000	(Audited) 31 December 2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		34,675	34,085
Right-of-use assets		2,472	2,925
Investment properties		4,822	4,874
Cash and cash equivalents		85,999	83,378
Total non-current assets		127,968	125,262
Current assets			
Trade receivables		560,630	501,945
Other receivables		117,084	94,160
Contract assets		202,636	171,735
Tax recoverable		1	1
Cash and cash equivalents		13,062	15,026
Total current assets		893,413	782,867
TOTAL ASSETS		1,021,381	908,129
EQUITY AND LIABILITIES			
Equity			
Share capital		100,598	100,598
Merger deficit		(44,709)	(44,709)
Retained earnings		191,158	171,131
Total equity		247,047	227,020
LIABILITIES			
Non-current liabilities			
Borrowings	*B7*	22,484	15,393
Lease liabilities	*B7*	1,959	2,081
Deferred tax liabilities		42	42
Total non-current liabilities		24,485	17,516

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 [(1)] (CONT'D)

	Note	(Unaudited) 30 June 2026 RM'000	(Audited) 31 December 2025 RM'000
EQUITY AND LIABILITIES (CONT'D)			
LIABILITIES (CONT'D)			
Current liabilities			
Trade payables		281,819	244,750
Other payables		42,628	29,829
Contract liabilities		18,440	32,191
Borrowings	*B7*	400,118	351,573
Lease liabilities	*B7*	652	869
Tax payable		6,192	4,381
Total current liabilities		749,849	663,593
Total liabilities		774,334	681,109
TOTAL EQUITY AND LIABILITIES		1,021,381	908,129
Net assets per ordinary share (sen)		26.16	24.04

Notes:

(1) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2026 (1)

	Non-distributable		Distributable	
	Share capital RM'000	Merger deficit RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2026	100,598	(44,709)	171,131	227,020
Total comprehensive income for the financial period	-	-	20,027	20,027
Balance as at 30 June 2026	100,598	(44,709)	191,158	247,047
Balance as at 1 January 2025	100,598	(44,709)	136,090	191,979
Total comprehensive income for the financial period	-	-	18,497	18,497
Balance as at 30 June 2025	100,598	(44,709)	154,587	210,476

Note:

(1) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

VESTLAND BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026 (1)

	6-month ended 30 June 2026 RM'000	6-month ended 30 June 2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	26,740	24,960
Adjustments for:-		
Amortisation of investment properties	52	46
Depreciation of property, plant and equipment	976	1,024
Depreciation of right-of-use assets	636	607
Finance costs	11,662	11,501
Finance income	(846)	(873)
Gain on disposal of property, plant and equipment	-	(8)
Property, plant and equipment written off	2	12
Operating profit before working capital changes	39,222	37,269
Changes in working capital:-		
Receivables	(81,610)	(75,318)
Payables	48,970	(4,814)
Contract assets	(30,901)	(42,847)
Contract liabilities	(13,751)	(5,742)
Cash used in operations	(38,070)	(91,452)
Tax paid	(4,902)	(4,633)
Net cash used in operating activities	(42,972)	(96,085)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	846	873
Purchase of property, plant and equipment	(669)	(402)
Proceeds from disposal of property, plant and equipment	-	15
Purchase of right-of-use assets	(5)	-
Net cash from investing activities	172	486

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [(1)] (CONT'D)

	6-month ended 30 June 2026 RM'000	6-month ended 30 June 2025 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(11,662)	(11,501)
Movement of fixed deposits pledged	2,298	(1,391)
Movement of bank balance pledged	(4,919)	(15,719)
Drawdown / (Repayment) of term loans	7,343	(945)
Repayment of lease liabilities	(518)	(462)
Drawdown / (Repayment) of invoice financing	6,690	(4,900)
Drawdown of revolving credit	30,600	98,285
Drawdown / (Repayment) of trust receipt	1,532	(1,478)
Drawdown of promissory note	9,650	2,765
(Repayment) / Drawdown of overdraft against progress claim	(178)	190
Net cash from financing activities	40,836	64,844
Net changes in cash and cash equivalents	(1,964)	(30,755)
Cash and cash equivalents at beginning of financial period	15,026	39,881
Cash and cash equivalents at end of financial period	13,062	9,126
CASH AND CASH EQUIVALENTS		
Cash and bank balances	59,296	47,777
Fixed deposits with licensed banks	39,765	40,406
	99,061	88,183
Less: Bank balance pledged with a licensed bank	(50,750)	(40,912)
Less: Fixed deposits pledged with licensed banks	(35,249)	(38,145)
	13,062	9,126

Note:

(1) The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

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 ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2025 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 audited financial statements of the Group for the financial year ended 31 December 2025 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 2026:

Title	**Effective Date**
Amendments to MFRS 9 and MFRS 7 *Financial Instruments and Financial Instruments: Disclosures: Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11: Amendments to MFRS 1*, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 *First-time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statement of Cash Flows*	1 January 2026
Amendments to MFRS 9* and MFRS 7* *Financial Instruments and Financial Instruments: Disclosures: Contracts referencing nature-dependent electricity*	1 January 2026

* Not applicable to the Group's operation.

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

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2025.

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 period 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 period 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 period under review.

A7 Debt and Equity Securities

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

A8 Dividend

There was no dividend paid during the current quarter and financial period 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 construction works. Information about geographical areas has also not been reported as the Group's principal market is only in Malaysia.

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

A10 Material Events Subsequent to the End of the Quarter

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

A11 Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period under review.

A12 Contingent Liabilities and Contingent Assets

There were no material contingent liabilities and contingent assets as at the end of current quarter and financial period under review.

A13 Material Capital Commitment

The Group does not have any material capital commitment as at the end of current quarter and financial period under review.

A14 Significant Related Party Transactions

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

	Individual Quarter 30 June		Cumulative Quarter 30 June	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Transaction with companies in which a person connected to a Director has interest:				
Rental expenses	2,973	2,498	4,920	2,759

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of Performance

	Individual Quarter				Cumulative Quarter			
	30 June				30 June			
	2026		2025		2026		2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Building construction								
Build segment	19,738	7.9	28,939	13.6	52,690	11.7	57,334	15.5
Design and build segment	199,655	79.8	161,872	75.9	355,463	79.0	281,914	76.1
	219,393	87.7	190,811	89.5	408,153	90.7	339,248	91.6
Civil engineering works	30,848	12.3	22,371	10.5	41,565	9.3	31,334	8.4
Total revenue	**250,241**	**100.0**	**213,182**	**100.0**	**449,718**	**100.0**	**370,582**	**100.0**

The Group recorded a total revenue of RM250.2 million and RM449.7 million for the individual quarter and cumulative quarter ended 30 June 2026 respectively, which was RM37.0 million (17.4%) and RM79.1 million (21.3%) higher than revenue of RM213.2 million and RM370.6 million for the individual quarter and cumulative quarter of the preceding year respectively.

The increase in revenue for the individual quarter and cumulative quarter ended 30 June 2026 as compared to the individual quarter and cumulative quarter of the preceding year was mainly due to higher revenue generated from design and build segment, which mainly attributed to Pinnacle Ara Damansara Project, Council Home Taman Desa Project and new projects secured in 2026, namely Kajang Industrial Park Project and Armani Hallson KLCC Project.

The Group recorded profit before tax of RM15.8 million and RM26.7 million for the individual quarter and cumulative quarter ended 30 June 2026 respectively, which was increased by RM1.4 million (9.7%) and RM1.7 million (6.8%) as compared to profit before tax of RM14.4 million and RM25.0 million recorded for the individual quarter and cumulative quarter of the preceding year respectively.

The higher profit before tax recorded for individual quarter and cumulative quarter ended 30 June 2026 as compared to the corresponding period of preceding year was mainly due to higher revenue and gross profit achieved during current individual and cumulative quarter. This was partially offset by higher administrative and operating expenses, mainly due to increased staff costs, and higher finance costs, which mainly comprised interest expenses on borrowing utilised for working capital purposes.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B2 Comparison with Immediate Preceding Quarter

	Individual Quarter			
	Current 30 June 2026 RM'000	**Preceding 31 March 2026 RM'000**	**Difference RM'000**	**%**
Revenue	250,241	199,477	50,764	25.4
Profit before tax	15,821	10,919	4,902	44.9

The Group achieved revenue of RM250.2 million for current quarter ended 30 June 2026, which was RM50.7 million or 25.4% higher than the Group's revenue of RM199.5 million for immediate preceding quarter. The higher revenue was mainly due to the increase in revenue from design and build segment, which mainly attributed to higher completion of work done of on-going projects.

The Group's profit before tax increased by RM4.9 million or 44.9% to RM15.8 million for the current quarter ended 30 June 2026 as compared to RM10.9 million for the immediate preceding quarter. The higher profit before tax was mainly due to higher gross profit of RM24.3 million for current quarter (immediate preceding quarter: RM19.8 million) and lower administrative and operating expenses of RM3.4 million for current quarter (immediate preceding quarter: RM3.7 million).

B3 Prospects of the Group

Following the economy growth of 5.4% in the first quarter of 2026, the Malaysian economy grew by 6% in the second quarter of 2026. The economy growth was primarily supported by stronger export growth, sustained growth in household spending and continued private investment activities. The construction sector continued to expand with growth of 6.5% in the second quarter of 2026 (7.7% in the first quarter of 2026) mainly supported by special trade and non-residential activities. *(Source: BNM Quarterly Bulletin 2Q 2026)*

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 its design and build capabilities, the Group will continue to focus its efforts to explore opportunities in design and build projects across the residential, industrial and infrastructure sectors. The Group's earnings visibility in the coming years is sustainable with the total outstanding orderbook of approximately RM1.3 billion as of June 2026.

The Malaysian economy's growth is expected to be sustained in 2026, mainly driven by resilient domestic demand and continued investment activities. The Group remains vigilant in seizing opportunities to expand its business growth under the current economic environment. The Group believes that its prospects in the construction industry are favourable in view of the current outlook of the construction industry and its competitive strengths.

Barring any unforeseen circumstances, the Board of Directors is cautiously optimistic about the prospects of the Group in 2026.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

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 period under review.

B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	30 June		30 June	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Tax expense:				
- current financial period	3,873	3,693	6,713	6,463
- over provision in prior financial year	-	-	-	-
	3,873	3,693	6,713	6,463
Deferred tax:				
- current financial period	-	-	-	-
- over provision in prior financial year	-	-	-	-
	-	-	-	-
Total tax expense	**3,873**	**3,693**	**6,713**	**6,463**
Effective tax rate (%)	24	26	25	26
Statutory tax rate (%)	24	24	24	24

The effective tax rate of the Group for the financial period ended 30 June 2026 was higher than the statutory tax rate as certain expenses were not tax deductible, which include mainly amortisation and depreciation costs.

B6 Status of Corporate Proposals

(i) On 16 July 2024, the Company announced that its wholly-owned subsidiary, Vestland Resources Sdn. Bhd., had entered into six (6) Sale and Purchase Agreement all dated 16 July 2024 with Armani KPF2 Development Sdn. Bhd. for the acquisition of six (6) units of semidetached industrial warehouse/factory at the Armani Business Park situated in the locality of Kg. Malawa, Kota Kinabalu, Sabah, Malaysia for a total cash consideration of Ringgit Malaysia Eighteen Million (RM18,000,000.00). The acquisition is currently pending completion.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B6 Status of Corporate Proposals (Cont'd)

(ii) On 4 August 2026, AmInvestment Bank Berhad ("AmInvestment Bank") had on behalf of the Company announced that the Company proposed to undertake a private placement of up to 94,430,870 new ordinary shares in the Company, representing up to 10.0% of the total number of issued shares of Vestland ("Proposed Private Placement").

On 5 August 2026, AmInvestment Bank had on behalf of the Company announced that the additional listing application in respect of the Proposed Private Placement had been submitted to Bursa Securities.

On 12 August 2026, AmInvestment Bank had on behalf of the Company announced that Bursa Securities had vide its letter dated 12 August 2026 approved for the additional listing application in respect of the Proposed Private Placement.

The Proposed Private Placement is currently pending completion.

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

B7 Borrowings

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

	30 June 2026 RM'000	31 December 2025 RM'000
Non-current		
Term loans	22,484	15,393
Lease liabilities	1,959	2,081
	24,443	17,474
Current		
Term loans	1,441	1,189
Revolving credit	312,032	281,433
Invoice financing	30,869	24,179
Promissory note	29,910	20,260
Trust receipt	9,897	8,365
Overdraft against progress claim	15,969	16,147
Lease liabilities	562	517
	400,680	352,090
Total	425,123	369,564

All the borrowings are secured and denominated in Ringgit Malaysia.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B8 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.

B9 Earnings per Share ("EPS")

The basic and diluted EPS of the Group for the current quarter and financial period ended 30 June 2026 are as follows:-

	Individual Quarter 30 June		Cumulative Quarter 30 June	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit attributable to the owners of Company	11,948	10,684	20,027	18,497
Weighted average number of ordinary shares ('000)	944,309	944,309	944,309	944,309
Basic/Diluted[1] EPS (sen)	1.27	1.13	2.12	1.96

Note:

(1) 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 period under review.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B10 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):

	Individual Quarter 30 June		Cumulative Quarter 30 June	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Amortisation of investment properties	26	23	52	46
Depreciation of:				
- property, plant and equipment	461	515	976	1,024
- right-of-use assets	319	300	636	607
Property, plant and equipment written off	1	12	2	12
Interest expense	5,841	5,732	11,662	11,501
Interest income	(386)	(429)	(846)	(873)
Gain on disposal of:				
- property, plant and equipment	-	-	-	(8)

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

B11 Authorisation for Issue

The interim financial report for the financial period ended 30 June 2026 was authorised for issuance by the Board of Directors on 21 August 2026.