

# EVD BERHAD

Company Registration No. 201901045325 (1354655 – D)  
(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## ANNOUNCEMENT

The Board of Directors of EVD Berhad (“EVDB” of “the Company”) is pleased to announce the following condensed consolidated financial statements for the second quarter ended 30 June 2022 which should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

### CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS <sup>(1)</sup>

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED	QUARTER ENDED	PERIOD ENDED	PERIOD ENDED
		30/06/2022 <sup>(2)</sup>	30/06/2021 <sup>(3)</sup>	30/06/2022 <sup>(2)</sup>	30/06/2021 <sup>(3)</sup>
		RM'000	RM'000	RM'000	RM'000
Revenue	B1	27,663	N/A	27,663	N/A
Cost of Sales		(22,942)	N/A	(22,942)	N/A
<b>Gross Profit</b>		<b>4,721</b>	<b>N/A</b>	<b>4,721</b>	<b>N/A</b>
Other Income		145	N/A	145	N/A
Selling and marketing expenses		(66)	N/A	(66)	N/A
Administrative expenses		(1,974)	N/A	(2,008)	N/A
Other expenses		(531)	N/A	(531)	N/A
Finance costs		(22)	N/A	(22)	N/A
Net impairment losses on financial assets and contract assets		547	N/A	547	N/A
<b>Profit before taxation</b>	<b>B2</b>	<b>2,820</b>	<b>N/A</b>	<b>2,786</b>	<b>N/A</b>
Income tax expense	B6	(614)	N/A	(614)	N/A
<b>Profit after taxation (PAT)</b>		<b>2,206<sup>(2)</sup></b>	<b>N/A</b>	<b>2,172<sup>(2)</sup></b>	<b>N/A</b>
Other comprehensive income		-	N/A	-	N/A
Foreign currency translation differences		335	N/A	335	N/A
<b>Total comprehensive income for the financial period</b>		<b>2,541</b>	<b>N/A</b>	<b>2,507</b>	<b>N/A</b>
<b>PAT attributable to:</b>					
: Owners of the Company		2,207	N/A	2,173	N/A
: Non-controlling interest		(1)	N/A	(1)	N/A
		2,206	N/A	2,172	N/A
<b>Total comprehensive income attributable to:</b>					
: Owners of the Company		2,542	N/A	2,508	N/A
: Non-controlling interest		(1)	N/A	(1)	N/A
		2,541	N/A	2,507	N/A
<b>Attributable to Equity Holders of the Company:</b>					
- Basic earnings per share (sen)	B11	1.24	N/A	2.44	N/A
- Diluted earnings per share (sen)	B11	0.12	N/A	0.24	N/A

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(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS <sup>(1)</sup> (CONTINUED)

### Notes:

1. The basis of preparation of the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
2. Subsequent to the completion of the acquisition of EVD Engineering Sdn. Bhd. and its subsidiaries (“EVE Group”) and EV-Dynamic Sdn. Bhd. (“EV-Dynamic”) on 27 April 2022, the Company has included 2 months results of the EVE Group and EV-Dynamic into the Condensed Consolidated Statements of Profit and Loss for current financial quarter and current financial period ended 30 June 2022.
3. This is the first interim financial report announced in compliance with the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). There are no comparative figures for the preceding year’s quarter and year to-date available as no interim financial report was prepared for the comparative financial period concerned.

N/A - Not applicable

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup>

		AS AT 30/06/2022	AS AT 31/12/2021 <sup>(3)</sup>
	Note	RM'000	RM'000
<b>Non-current assets</b>			
Equipment		4,074	N/A
Right-of-use assets		2,021	N/A
Deferred tax assets		200	N/A
Goodwill on consolidation		74,863	N/A
		81,158	N/A
<b>Current assets</b>			
Trade receivables		36,132	N/A
Other receivables, deposits and prepayments		2,719	N/A
Contract assets		92,357	N/A
Current tax assets		3,358	N/A
Fixed deposits with licensed banks		25,218	N/A
Cash and bank balances		55,272	N/A
		215,056	N/A
<b>Total assets</b>		<b>296,214</b>	<b>N/A</b>
<b>Equity</b>			
Share capital		65,068	N/A
Redeemable convertible preference shares		62,551	N/A
Warrant reserve		4,299	N/A
Foreign exchange translation reserve		335	N/A
Retained profits		2,120	N/A
		134,373	N/A
Non-controlling interest		(1)	N/A
		134,372	N/A
<b>Non-current liabilities</b>			
Deferred tax liabilities		1,231	N/A
Lease liabilities	<b>B9</b>	700	N/A
		1,931	N/A

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## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup> (CONTINUED)

		AS AT 30/06/2022	AS AT 31/12/2021 <sup>(3)</sup>
	Note	RM'000	RM'000
<b>Current liabilities</b>			
Trade payables		63,645	N/A
Other payables and accruals		17,362	N/A
Contract liabilities		55,131	N/A
Borrowings	<b>B9</b>	20,747	N/A
Lease liabilities	<b>B9</b>	1,588	N/A
Current tax liabilities		1,438	N/A
		<u>159,911</u>	<u>N/A</u>
<b>Total liabilities</b>		<u>161,842</u>	<u>N/A</u>
<b>Total equity and liabilities</b>		<u><b>296,214</b></u>	<u><b>N/A</b></u>
Net assets per ordinary shares attributable to owners of the Company (RM) <sup>(2)</sup>		<u>0.35</u>	<u>N/A</u>

### Notes:

- (1) The basis of preparation of the Condensed Consolidated Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the ordinary shares in EVDB of 382,539,656.
- (3) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). There are no comparative figures for the preceding year’s quarter available as no interim financial report was prepared for the comparative financial period concerned.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY <sup>(1)</sup>

	←-----Non-distributable-----→			Distributable		Attributable to Owners of the Company	Non- controlling Interest	Total
	Share capital	Redeemable convertible preference shares	Foreign translation reserve	Warrant reserve	Retained profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2022	-	-	-	-	(53)	(53)	-	(53)
Profit after taxation/Total comprehensive income for the financial period	-	-	-	-	2,173	2,173	(1)	2,172
Foreign currency translation differences	-	-	335	-	-	335	-	335
Total comprehensive income					2,173	2,508	(1)	2,507
Total transactions with owners:-								
- Issuance of new ordinary shares	69,367	-	-	-	-	69,367	-	69,367
- Issuance of new redeemable convertible preference shares	-	62,551	-	-	-	62,551	-	62,551
- Warrant reserve	(4,299)	-	-	4,299	-	-	-	-
	65,068	62,551	-	4,299	-	131,918	-	131,918
<b>Balance as at 30 June 2022</b>	<b>65,068</b>	<b>62,551</b>	<b>335</b>	<b>4,299</b>	<b>2,120</b>	<b>134,373</b>	<b>(1)</b>	<b>134,372</b>

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY <sup>(1)</sup> (CONTINUED)

### Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year's quarter and year to-date available as no interim financial report was prepared for the comparative financial period concerned.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS <sup>(1)</sup>

	PERIOD ENDED 30/06/2022	PERIOD ENDED 30/06/2021 <sup>(2)</sup>
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,786	N/A
Adjustments for :		
Depreciation of equipment	122	N/A
Depreciation of right-of-use assets	364	N/A
Interest expense on lease liabilities	22	N/A
Reversal of impairment loss	(547)	N/A
Interest income	(45)	N/A
Interest expenses	243	N/A
Net loss on unrealised on foreign exchange	38	N/A
Operating profit before working capital changes	2,983	N/A
Increase in contract assets	(12,623)	N/A
Increase in contract liabilities	12,871	N/A
Increase in trade and other payables	9,956	N/A
Cash from operations	13,187	N/A
Net income tax paid	(381)	N/A
Net cash from operations activities	12,806	N/A
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest income received	45	N/A
Increase in escrow and collateral account	(2)	N/A
Acquisition of subsidiaries, net of cash and cash equivalents	(90,160)	N/A
Increase in fixed deposits pledged to licensed banks	(33)	N/A
Purchase of equipment	(147)	N/A
Net cash for investing activities	(90,297)	N/A
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bankers' acceptances	1,876	N/A
Drawdown of trust receipts	9,178	N/A
Repayment of bankers' acceptances	(1,386)	N/A
Repayment of trust receipts	(6,799)	N/A
Repayment of lease liabilities	(279)	N/A
Issuance of new ordinary shares	131,919	N/A
Interest paid	(265)	N/A
Net cash from financing activities	134,244	N/A

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS <sup>(1)</sup> (CONTINUED)

	PERIOD ENDED 30/06/2022	PERIOD ENDED 30/06/2021 <sup>(2)</sup>
	RM'000	RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	56,753	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	-	N/A
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	30	N/A
CASH AND CASH EQUIVALENT AT THE END OF THE FINANCIAL PERIOD	56,783	N/A

Cash and cash equivalents included in the statements of cash flows comprised the following amount:

	PERIOD ENDED 30/06/2022	PERIOD ENDED 30/06/2021 <sup>(2)</sup>
	RM'000	RM'000
Fixed deposits with licensed banks	25,218	N/A
Cash and bank balances	55,272	N/A
Less:		
Fixed deposits with maturity period more than 3 months and pledged with licensed banks	(22,785)	
Cash placed in collateral and Escrow account	(922)	N/A
CASH AND CASH EQUIVALENT AT THE END OF THE FINANCIAL PERIOD	56,783	N/A

### Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). There are no comparative figures for the preceding year’s quarter available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable



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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

### (1) BASIS OF PREPARATION

The interim financial report of EVD Berhad (“**EVDB**” or the “**Company**”) and its subsidiary (“**Group**”) are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting, issued by Malaysian Accounting Standards Board (“**MASB**”) and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This is the first interim financial report on the Group’s condensed consolidated financial results for the Second (2<sup>nd</sup>) quarter ended 30 June 2022 announced in compliance with the Listing Requirements of Bursa Securities 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 accompanying explanatory notes attached to this interim financial report.

### (2) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentation adopted for the interim financial reports are consistent with those adopted in the most recent annual financial statements.

- (a) During the current quarter 30 June 2022, the Group has adopted the following new accounting standards and interpretation (including the consequential amendments):

#### **MFRSs and /or IC Interpretations (Including The Consequential amendments)**

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of fulfilling a contract

Annual Improvements to MFRS Standards 2018 – 2020

- (b) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

#### **MFRSs and /or IC Interpretations (Including The Consequential amendments)**

#### **Effective Date**

MFRS 17 Insurance Contracts

1 January 2023

Amendments to MFRS 10 and MFRS 128: Sale or Contribution Of Assets between an Investor and its Associate or Joint Venture

Deferred

Amendments to MFRS 17 Insurance Contracts

1 January 2023

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

1 January 2023

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

1 January 2023

Amendments to MFRS 101: Disclosure of Accounting Policies

1 January 2023

Amendments to MFRS 108: Definition of Accounting Estimates

1 January 2023

Amendments to MFRS 112: Deferred tax related to Assets and Liabilities arising from a Single Transaction

1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact to the financial report of the Group.

# **EVD BERHAD**

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## **PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (CONTINUED)**

### **(3) AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors have express an unqualified opinion on the Company's statutory financial statements for the financial year ended 31 December 2021 in their report dated 27 April 2022.

### **(4) SEASONAL OR CYCLICAL FACTORS**

The operations of the Group were not significantly affected by seasonality and cyclical factors.

### **(5) EXCEPTIONAL ITEMS**

There were no material exceptional items affecting the assets, liabilities, net equity, net income or cash flows for the financial period under review.

### **(6) MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates for the current financial quarter under review.

### **(7) DEBT AND EQUITY SECURITIES**

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

### **(8) DIVIDENDS PAID**

There were no dividends paid during the financial period under review.

# EVD BERHAD

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(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (CONTINUED)

### (9) SEGMENTAL INFORMATION

The Group's reportable segmental information for the current financial report ended 30 June 2022 is as follows:-

#### a) Analysis of revenue by business segments:

	<u>Transportation</u>	<u>Healthcare</u>	<u>Others</u>	<u>Group elimination</u>	<u>Group</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	24,526	2,488	649	-	27,663
Inter-segment revenue	21,497	118	-	(21,615)	-
Total revenue	<u>46,023</u>	<u>2,606</u>	<u>649</u>	<u>(21,615)</u>	<u>27,663</u>
Gross profit					4,721
Net operating expenditure					2,808
Finance cost					(22)
Profit before tax					<u>2,786</u>
Income Tax Expense					(614)
<b>Profit after tax</b>					<b><u>2,172</u></b>
Revenue by geographical:					
- Malaysia					26,937
- Philippines					726
					<u>27,663</u>

### (10) VALUATION OF EQUIPMENT

There were no revaluations of equipment in the financial period under review. As at 30 June 2022, all equipment were stated at cost less accumulated depreciation and impairment losses.

### (11) MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

There were no material events subsequent to the current interim financial period up to the date of this report

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (CONTINUED)

### (12) CHANGES IN THE COMPOSITION OF THE GROUP

The changes in the composition of the Group for current quarter ended 30 June 2022 are disclosed as follows:

- (a) On 19 December 2019, the Company has entered into the conditional share sale agreement (“SSA”) with iDimension Consolidated Bhd. (“ICB”) and EV-Dynamic Sdn Bhd (“EV-Dynamic”)\* pertaining to the acquisition of 5,000,000 ordinary shares in EVD Engineering Sdn. Bhd (“EVE”) at the purchase consideration of RM108.0 million as follows:

(aa) RM37.8 million through issuance of 252.0 million EVDB ordinary shares at an issue price of RM0.15 per ordinary share;

(bb) RM58.2 million through the issuance of 2,380 million EVDB redeemable convertible preference shares (“RCPS”) with a denomination of RM0.025 per EVDB RCPS; and

(cc) the remaining RM12 million in cash.

The acquisition has been completed on 27 April 2022 and the EVE became a wholly-owned subsidiary of the Company.

\* replaced by Mah Seong Huak and Ir. Gan Wee Peng (“Vendor”) under second supplemental agreement signed on 30 March 2021.

- (b) On 30 March 2021, the Company has entered into the share sale agreement (“EV-Dynamic SSA”) with ICB and Mah Seong Huak and Ir. Gan Wee Peng pertaining to the acquisition of 10,000,000 ordinary shares in EV-Dynamic at the purchase consideration of RM1.

The acquisition has been completed on 27 April 2022 and the EV-Dynamic became a wholly-owned subsidiary of the Company.

- (c) The Company has participated in the Regularisation Plan of ICB which has been announced by ICB announcement dated 19 December 2019 and its subsequent announcements in relation to the Regularisation Plan.

Upon the Completion of the Regularisation Plan, the Company issued 130,539,654 new EVDB ordinary shares, 87,026,436 new EVDB Warrants and 174,052,872 new EVDB RCPS in exchange for all the securities of ICB. Following to this, ICB became a wholly-owned subsidiary of the Company.

The Regularisation Plan has been completed on 30 June 2022.

The fair value of net assets and goodwill derived from the above acquisition are provisional and will be adjusted, if necessary, upon completion of the purchase price allocation as allowed under MFRS 3.

### (13) CAPITAL COMMITMENTS

There were no capital expenditure contracted for at the end of the financial period under review.

### (14) CONTINGENT LIABILITIES AND ASSETS

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

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## PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (CONTINUED)

### (15) SIGNIFICANT RELATED PARTY TRANSACTION

The significant related party transactions and balances during the financial year under review as described below were carried out in the ordinary course of business and on agreed commercial terms with the related parties:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED	QUARTER ENDED	PERIOD ENDED	PERIOD ENDED
	30/06/2022	30/06/2021 <sup>(1)</sup>	30/06/2022	30/06/2021 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Rentals payable	196	N/A	196	N/A

#### Note:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year's quarter and year to-date available as no interim financial report was prepared for the comparative financial period concerned.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET

### (1) REVIEW OF GROUP PERFORMANCE

#### (a) Results for current quarter

The Group recorded revenue of RM27.6 million and profit before tax of RM2.8 million for the current financial quarter and current financial period ended 30 June 2022.

The Group's revenue mainly derived from the provision of transportation system solutions for the followings:-

- (i) System Solutions for railways and urban rail transit; and
- (ii) ITS solutions for roads and highways.

Our Group revenue from this segment of RM24.5 million which accounted approximately 89% of the total revenue recorded for the current financial period under review.

No comparative figures for the preceding corresponding quarter and preceding financial year are available as this is the first interim financial report on the consolidated results for the financial quarter ended 30 June 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

### (2) COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

The Group's performance for the second quarter ended 30 June 2022 (Q2 FY2022) are tabled below:

Description	CURRENT QUARTER ENDED 30/06/2022 (RM'000)	PRECEDING QUARTER ENDED 31/03/2022 (RM'000)	Variance	
			RM'000	%
Revenue	27,663	N/A	N/A	N/A
Profit before tax (PBT)	2,820	N/A	N/A	N/A

No comparative figures for the preceding corresponding quarter and preceding financial year are available as this is the first interim financial report on the consolidated results for the financial quarter ended 30 June 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

### (3) PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Board is optimistic of the long-term prospect of the Group in line with the expected growth of the transportation system solutions industry in Malaysia. The transportation systems solution industry in Malaysia has recovered from a decline caused by the COVID-19 pandemic in 2020, having registered a growth of 8.2% between 2020 and 2021. Moving forward, the transportation system solutions industry in Malaysia is expected to progressively recover in the following years, between 2022 and 2024, in light of the on-going and upcoming transportation infrastructure projects, and various stimulus package to cushion the headwinds arising from the COVID-19 pandemic. The industry is also expected to benefit from the country entering into the endemic phase of the COVID-19 pandemic beginning 1 May 2022, as recovery of the domestic economy is expected to spur development of transportation infrastructure project in the country.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET (CONTINUED)

### (4) PROFIT FORECAST OR GUARANTEE

There is no other profit forecast or guarantee except for below:-

- (a) 2 years profit guarantee of RM18 million in aggregate on the profit after taxation of the EVE Group for the financial year ended 2021 and financial year ending 2022.

	<b>UNAUDITED FINANCIAL PERIOD ENDED 30/06/2022 RM'000</b>	<b>AUDITED FINANCIAL YEAR ENDED 31/12/2021 RM'000</b>
Profit after taxation	<b>4,045</b>	<b>9,067</b>

Up to 30 June 2022, EVE Group has achieved of RM4.045 million profit after taxation and the Board is in the opinion that the EVE Group's financial performance for the financial year ending 31 December 2022 will remain favourable.

### (5) PROFIT BEFORE TAX

Profit before tax for the period has been arrived at after (crediting)/charging:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>QUARTER ENDED 30/06/2022 RM'000</b>	<b>QUARTER ENDED 30/06/2021<sup>(1)</sup> RM'000</b>	<b>PERIOD ENDED 30/06/2022 RM'000</b>	<b>PERIOD ENDED 30/06/2021<sup>(1)</sup> RM'000</b>
<b>After charging:</b>				
Depreciation:-				
- equipment	122	N/A	122	N/A
- right-of-use assets	364	N/A	364	N/A
Interest expense on lease liabilities	22	N/A	22	N/A
Interest expenses	243	N/A	243	N/A
Net loss on unrealised foreign exchange	38	N/A	38	N/A
<b>After crediting:</b>				
Interest income	45	N/A	45	N/A
<b>After other comprehensive income:</b>				
Foreign currency translation differences	(335)	N/A	(335)	N/A

#### Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirement of Bursa Securities. There are no comparative figures for the preceding year's quarter and year-to-date are available as no interim financial report prepared for the comparative financial period concerned.

N/A Not applicable

# EVD BERHAD

Company Registration No. 201901045325 (1354655 – D)

(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET (CONTINUED)

### (6) TAX EXPENSE

The breakdown of income tax expense are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30/06/2022	QUARTER ENDED 30/06/2021 <sup>(1)</sup>	PERIOD ENDED 30/06/2022	PERIOD ENDED 30/06/2021 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Income tax expenses:				
- Current financial year	336	N/A	336	N/A
	336	N/A	336	N/A
Deferred tax expense:				
- Originating and recognition of temporary differences	278	N/A	278	N/A
	614	N/A	614	N/A

**Note:-**

- (1) This is the first interim financial report announced in compliance with the Listing Requirement of Bursa Securities. There are no comparative figures for the preceding year's quarter and year-to-date are available as no interim financial report prepared for the comparative financial period concerned.

The Group's effective tax rate for the current financial period were 21.8% respectively, lower than the statutory tax rate of 24% due to certain expenses not being deductible for tax purposes.

### (7) STATUS OF CORPORATE PROPOSALS

Subsequent to the completion of the regularisation plan, fund raised under the private placement, right issue and management buy-out was equivalent to RM26.6 million.

The status of utilisation of proceeds derived from the above mentioned exercise as at 30 June 2022 was as follow:-

	Proposed Utilisation	Actual Utilisation	Unutilised proceeds	Time frame for utilisation of proceeds
	RM'000	RM'000	RM'000	
Working capital for EVDB Group	11,343	-	11,343	Within 24 months
EVE Acquisition	12,000	-	12,000	Within 12 months
Estimated expenses in relation to the Regularisation Plan	3,300	3,300	-	Within 3 months
	26,643	3,300	23,343	



# EVD BERHAD

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## PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET (CONTINUED)

### (9) BORROWINGS

The Group's borrowings as at 30 June 2022 were as follows:-

	<b>Current liabilities</b>	<b>Non-Current liabilities</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>			
<b>Group borrowings:</b>			
- Letter of credit	941	-	-
- Bankers' acceptance	3,802	-	3,802
- Trust receipts	16,004	-	16,004
	<b>20,747</b>	<b>-</b>	<b>20,747</b>
<b>Lease liabilities:</b>			
- Hire purchase payables	25	90	115
- Lease liabilities	1,563	610	2,173
	<b>1,588</b>	<b>700</b>	<b>2,288</b>
<b>Total</b>	<b>22,335</b>	<b>700</b>	<b>23,035</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

### (10) MATERIAL LITIGATION

There were no material litigations pending on the date of this announcement.

# EVD BERHAD

Company Registration No. 201901045325 (1354655 – D)

(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

## PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET (CONTINUED)

### (11) EARNINGS PER SHARE

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED	QUARTER ENDED	PERIOD ENDED	PERIOD ENDED
	30/06/2022	30/06/2021 <sup>(1)</sup>	30/06/2022	30/06/2021 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
<b>(a) Basic earnings per share</b>				
Profit after tax attributable to owners of the Company (RM'000)	2,207	N/A	2,173	N/A
Weighted average number of issued ordinary shares ('000)	177,231	N/A	89,105	N/A
Basic earnings per share (sen)	1.24	N/A	2.44	N/A
<b>(b) Diluted earnings per share</b>				
Profit after tax attributable to owners of the Company (RM'000)	2,207	N/A	2,173	N/A
Weighted average number of issued ordinary shares ('000)	177,231	N/A	89,105	N/A
Adjusted for redeemable convertible preference shares ('000)	1,637,275	N/A	823,160	N/A
Adjusted weighted average shares ('000)	1,814,506	N/A	912,265	N/A
Diluted earnings per share (sen)	0.12	N/A	0.24	N/A

#### Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year's quarter and year-to-date are available as no interim financial report was prepared for the comparative period concerned.

N/A Not applicable

# **EVD BERHAD**

Company Registration No. 201901045325 (1354655 – D)

(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

**PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE BURSA LISTING REQUIREMENTS FOR THE ACE MARKET (CONTINUED)**

## **(12) PROPOSED DIVIDENDS**

The board of Directors has not recommended any dividend for the current financial quarter under review.