



VETECE HOLDINGS BERHAD

Registration No.: 202301046359 (1540273-U)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2024

UNAUDITED CONDENSED COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAY 2024⁽¹⁾

	Not	Individual Quarter		Cumulative Quarter	
		Unaudited Current year quarter ended	Unaudited Preceding year quarter ended ⁽²⁾	Unaudited Current period-to-date	Unaudited Preceding period-to-date ⁽²⁾
		31.05.2024	31.05.2023	31.05.2024	31.05.2023
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	6,871	N/A	15,440	N/A
Cost of sales		(4,683)	N/A	(10,408)	N/A
Gross profit		2,188	N/A	5,032	N/A
Other income		62	N/A	226	N/A
Administrative expenses		(319)	N/A	(1,072)	N/A
Operating profit		1,931	N/A	4,186	N/A
Finance costs		(44)	N/A	(133)	N/A
Profit before tax		1,887	N/A	4,053	N/A
Income tax expense	B5	(381)	N/A	(848)	N/A
Profit after tax ("PAT") / Total comprehensive income for the period		1,506	N/A	3,205	N/A
Profit after tax/ total comprehensive income for the period attributable to:					
Owners of the Company		1,506	N/A	3,205	N/A
Earnings per share ("EPS")					
- Basic (sen) ⁽³⁾	B11	0.51	N/A	1.09	N/A

Notes:

- (1) The basis of preparation of the above unaudited Condensed Combined Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the prospectus of the Company dated 8 August 2024 in relation to its initial public offering ("IPO") ("Prospectus") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements"). There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.
- (3) Computed based on the PAT attributable to the owners of the Company divided by 294,000,000 ordinary shares in VETECE Holdings Berhad ("VETECE" or "Company") ("VETECE Shares" or "Shares") in issue upon completion of the acquisitions of Vision Technology Sdn Bhd ("VTCM") and Vision Technology Pte Ltd ("VTCS") but before the IPO.

N/A Not applicable.

UNAUDITED CONDENSED COMBINED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024⁽¹⁾

	Unaudited	Audited
	As at 31 May	As at 31 August
	2024	2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,290	7,418
Total non-current assets	7,290	7,418
Current assets		
Trade receivables	4,733	8,086
Other receivables	1,950	291
Contract assets	2,724	3,680
Fixed deposits placed with licensed banks	1,371	1,343
Cash and bank balances	9,444	4,026
Total current assets	20,222	17,426
TOTAL ASSETS	27,512	24,844
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Invested equity	2,077	2,077
Other reserves	1,830	1,825
Retained earnings	15,721	12,516
Total equity	19,628	16,418
Non-current liabilities		
Loans and borrowings	3,919	4,009
Deferred tax liabilities	316	385
Total non-current liabilities	4,235	4,394
Current liabilities		
Loans and borrowings	119	115
Trade payables	627	1,760
Other payables	2,903	1,496
Current tax liabilities	-	661
Total current liabilities	3,649	4,032
TOTAL LIABILITIES	7,884	8,426
TOTAL EQUITY AND LIABILITIES	27,512	24,844
Net assets per ordinary share attributable to owners of the Company (RM) ⁽²⁾	0.07	0.06

Notes:

- (1) *The basis of preparation of the above unaudited Condensed Combined Statement of Financial Position are detailed in Note A1 and 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 is calculated based on 294,000,000 VETECE Shares in issue upon completion of the acquisitions of VTCM and VTCS but before the IPO.*

UNAUDITED CONDENSED COMBINED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2024⁽¹⁾

	Attributable to owners of the Company				Total equity
	Invested equity	Exchange reserve	Revaluation reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	
At 1 September 2023 (Audited)	2,077	907	918	12,516	16,418
Profit after tax / Total comprehensive income for the financial period	-	-	-	3,205	3,205
Other comprehensive income	-	5	-	-	5
At 31 May 2024 (Unaudited)	2,077	912	918	15,721	19,628

Note:

- (1) *The basis of preparation of the above unaudited Condensed Combined Statement of Changes in Equity are detailed in Note A1 and 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.*

This is the first interim financial report for the third quarter ended 31 May 2024 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.

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**UNAUDITED CONDENSED COMBINED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED
31 MAY 2024**

	Unaudited	
	Current period- to-date RM'000	Preceding period-to-date RM'000
Cash flows from operating activities		
Profit before tax	4,053	N/A
Adjustments for:		
Depreciation of property, plant and equipment	149	N/A
Interest income	(26)	N/A
Interest expense	133	N/A
Unrealised gain on foreign exchange	(16)	N/A
Operating profit before changes in working capital	4,293	N/A
Changes in working capital:		
Receivables	1,723	N/A
Contract assets	956	N/A
Payables	274	N/A
Net cash generated from operations	7,246	N/A
Tax paid, net	(1,591)	N/A
Interest received	26	N/A
Net cash from operating activities	5,681	N/A
Cash flows from investing activities		
Purchase of property, plant and equipment	(21)	N/A
Sale proceeds from disposal of property, plant and equipment	-	N/A
Net cash used in investing activities	(21)	N/A
Cash flows from financing activities		
Fixed deposits pledged as security values	(28)	N/A
Dividends paid		N/A
Interests paid	(133)	N/A
Repayments of term loans	(86)	N/A
Net cash used in financing activities	(247)	N/A
Net increase/(decrease) in cash and cash equivalents	5,413	N/A
Cash and cash equivalents at the beginning of the financial period	4,026	N/A
Effects of exchange rate charges on cash and cash equivalents	5	N/A
Cash and cash equivalents at the end of the financial period⁽¹⁾	9,444	N/A
Represented by:		
Cash and bank balances	9,444	N/A
Fixed deposits placed with a licensed bank	1,371	N/A
	10,815	N/A
Less: Fixed deposits pledged as security values	(1,371)	N/A
Total	9,444	N/A

Notes:

- (1) *The basis of preparation of the above unaudited Condensed Combined Statement of Cash Flows are detailed in Note A1 and 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) *This is the first interim financial report for the third quarter ended 31 May 2024 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.*
- N/A *Not applicable.*

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

A1. Basis of preparation

This condensed combined interim financial report of VETECE and its subsidiaries (collectively, the “**Group**”) are 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 Listing Requirements.

This is the Company’s first interim financial report on the unaudited condensed combined financial results for the financial period ended 31 May 2024 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

This 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 adopted by the Group 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 and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

Effective for annual period beginning on or after 1 January 2024

Amendments to MFRS 16: Lease liability in a Sales and Leaseback

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

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025 *Amendments to MFRS 121: Lack of Exchangeability*

Effective date yet to be confirmed

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

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption.

A3. Auditors’ report on preceding annual financial statements

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 August 2023.

A4. Seasonal or cyclical factors

The Group’s operation is not subject to seasonal or cyclical factors.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income or cash flows in the current quarter and financial period-to-date under review.

A6. Material changes in estimates

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities by the Group during the interim financial reporting period under review.

A8. Dividend paid

There was no dividend paid by the Company during the current financial quarter under review.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental information

The Group's revenue is segmented as follows:

(a) Revenue by business segments

	Individual Quarter		Cumulative Quarter	
	Unaudited current year quarter ended	Unaudited preceding year quarter ended ⁽¹⁾	Unaudited current period-to-date	Unaudited preceding period-to-date ⁽¹⁾
	31.05.2024	31.05.2023	31.05.2024	31.05.2023
	RM'000	RM'000	RM'000	RM'000
Implementation services	2,693	N/A	6,378	N/A
Maintenance, support and professional services	1,781	N/A	6,231	N/A
Resale of hardware and software	2,397	N/A	2,831	N/A
	6,871	N/A	15,440	N/A

(b) Revenue by geographical location

	Individual Quarter		Cumulative Quarter	
	Unaudited current year quarter ended	Unaudited preceding year quarter ended ⁽¹⁾	Unaudited current period-to-date	Unaudited preceding period-to-date ⁽¹⁾
	31.05.2024	31.05.2023	31.05.2024	31.05.2023
	RM'000	RM'000	RM'000	RM'000
Malaysia	6,587	N/A	15,069	N/A
Singapore	102	N/A	189	N/A
Others	182	N/A	182	N/A
	6,871	N/A	15,440	N/A

Notes:

(1) This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.

N/A Not applicable.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Material events subsequent to the end of the reporting period

(i) Acquisition of VTCM

VETECE had on 7 February 2024, entered into a conditional share sale agreement with Chan Wai Hoong, Choo Kwang Hui Nicholas, Goh Yeh Hwang and Tee Chee Chiang ("**VTCM Vendors**") to acquire the entire issued share capital of VTCM of RM2,000,000 comprising 2,000,000 ordinary shares in VTCM for a purchase consideration of RM15,990,848.24. The acquisition of VTCM is to be wholly satisfied by the issuance of 286,574,341 new VETECE Shares at an issue price of RM0.0558 per VETECE Share to the VTCM Vendors.

The purchase consideration of RM15,990,848.24 was arrived at on a willing-buyer-willing-seller basis, after taking into consideration the audited net assets ("**NA**") of VTCM as at 31 August 2023 of RM16,003,210.00 reflecting a discount of approximately RM12,362 to the foregoing NA for the purposes of computing a whole number of Shares to be issued pursuant to the foregoing acquisition.

The acquisition of VTCM was completed on 21 June 2024.

(ii) Acquisition of VTCS

VETECE had on 7 February 2024, entered into a conditional share sale agreement with VETECE Group Sdn. Bhd. ("**VTSB Vendor**") to acquire the entire issued share capital of VTCS of SGD25,000 comprising 25,000 ordinary shares in VTCS for a purchase consideration of RM414,351.66. The acquisition of VTCS is to be wholly satisfied by the issuance of 7,425,657 VETECE Shares at an issue price of RM0.0558 per VETECE Share to the VTCS Vendor.

The purchase consideration of RM414,351.66 was arrived at on a willing-buyer-willing-seller basis, after taking into consideration the audited NA of VTCS as at 31 August 2023 of RM414,671.65 (represents the audited NA of SGD120,892 converted at the exchange rate of SGD1.00 to RM3.4301 as at 31 August 2023 reflecting a discount of approximately RM321 to the foregoing NA for the purposes of computing a whole number of Shares to be issued pursuant to the foregoing acquisition).

The acquisition of VTCS was completed on 21 June 2024.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Material events subsequent to the end of the reporting period (Continued)

(iii) IPO

In conjunction with the Company's listing on the ACE Market of Bursa Securities ("**Listing**"), the Company proposes to undertake the IPO at an issue price of RM0.25 per share, comprising:

(I) public issue of 98,000,000 new Shares in the following manner ("**Public Issue**"):

- (a) 19,600,000 new Shares available for application by the Malaysian public;
- (b) 9,800,000 new Shares available for application by the eligible directors, key senior management, employees and persons who have contributed to the success of the Group; and
- (c) 68,600,000 new Shares by way of private placement to selected investors,

and

(II) offer for sale of 39,200,000 existing Shares by way of private placement to selected investors.

Upon completion of the IPO, the issued share capital of the Company will increase to RM40,905,200 (prior to deduction of listing expenses) comprising 392,000,000 Shares.

The Company's entire enlarged share capital is expected to be listed and quoted on the ACE Market of Bursa Securities on 28 August 2024.

Save as disclosed above, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A11. Changes in the composition of the Group

Save as disclosed in Note A10, there were no changes in the composition of the Group during the current financial quarter and financial period-to-date.

A12. Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 31 May 2024.

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B. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A13. Related party transactions disclosures

The related party transactions between the Group and related parties are as follows:

	Individual Quarter		Cumulative quarter	
	Unaudited current year quarter ended 31.05.2024 RM'000	Unaudited preceding year quarter ended ⁽¹⁾ 31.05.2023 RM'000	Unaudited current period-to-date 31.05.2024 RM'000	Unaudited preceding period-to-date ⁽¹⁾ 31.05.2023 RM'000
Entities controlled by directors:				
- Rental income	7,200	-	21,600	-

Notes:

(1) *This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.*

N/A *Not applicable.*

A14. Capital commitments

The are no capital commitments as at 31 May 2024.

A15. Fair value of financial instruments

There were no gain or loss arising from fair value changes of financial assets and liabilities for the current quarter and year-to-date ended 31 May 2024.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of financial performance

	Individual Quarter		Cumulative Quarter	
	Unaudited Current year quarter ended	Unaudited Preceding year quarter ended ⁽¹⁾	Unaudited Current period- to-date	Unaudited Preceding period-to-date ⁽¹⁾
	31.05.2024	31.05.2023	31.05.2024	31.05.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	6,871	N/A	15,440	N/A
Profit before tax	1,887	N/A	4,053	N/A
Profit after tax	1,506	N/A	3,205	N/A
PAT attributable to owners of the Company	1,506	N/A	3,205	N/A

Notes:

(1) *This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.*

N/A *Not applicable.*

The Group recorded revenue of approximately RM6.87 million for the current financial quarter under review mainly contributed from revenue from implementation services and resale of hardware and software which accounted for RM2.69 million and RM2.40 million respectively, representing 39.19% and 34.89% of the total revenue respectively.

The Group recorded gross profit of RM2.19 million and profit before tax of RM1.89 million, representing a gross profit margin of 31.84% and profit before tax margin of 27.46% for current financial quarter which are relatively consistent with gross profit margin of 32.59% and profit before tax margin of 26.25% for financial period-to-date.

There are no comparative figures for the preceding corresponding quarter's results as this is the first interim financial report for the third quarter ended 31 May 2024 being announced by the Company in compliance with the Listing Requirements.

B2. Comparison with immediate preceding quarter's results

There are no comparative figures for the immediate preceding quarter as this is the first interim financial report for the third quarter ended 31 May 2024 being announced by the Company.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B3. Prospects of the Group

A summary of the Group's future plans and business strategies is set out below:

(i) Expansion of enterprise IT solutions portfolio to include AI-driven data handling and analytic solutions

Given the impact of AI bringing improvements in efficiency, decision making and innovation across various industries, the Group intends to introduce AI-driven data handling and analytic solutions to complement its existing enterprise application integration and data engineering solutions.

(ii) Continuous strengthening of the Group's enterprise application integration and enterprise data engineering and analytics solutions

The Group is actively exploring new enterprise application integration and enterprise data engineering and analytics solutions with both existing and new technology partners. With the Group's existing technology partners, the Group plans to leverage on their established relationships to actively promote any new features or enhancement in their technology partners' software solutions. For new technology partners, the Group intends to continue with their effort in identifying potential new technology partners by among others, participating in technology trade shows and conferences and continuously engaging with business network for any potential referrals. By doing this, the Group aims to expand their product offerings and broaden their client base both locally and overseas.

(iii) Establishment of a Centre of Excellence ("COE") for software solutions

The Group intends to establish a COE for software solutions which allows them to undertake projects for overseas clients remotely from the Group's base of operation in Malaysia. By establishing a COE that adheres to international IT security standards, this is expected to address the requirement of their overseas clients who are seeking for cost-effective enterprise IT solutions without compromising data security, as well as for overseas clients that do not have their internal IT offices in Malaysia to accommodate the Group's IT professionals to work in their premises.

(iv) Strengthening of the Group's Singapore operations

The Group through their subsidiary, VTCS maintains a presence in Singapore because of its role as a gateway to the Asia Pacific region, especially with the presence of many international financial institutions and multinational corporations' regional offices in Singapore. The operations in Singapore have historically relied on the Group's Malaysia-based IT professionals who travel to Singapore for implementation, maintenance and support services. The COVID-19 pandemic disrupted the Group's business, impeding the Group's ability to identify sales opportunities and implement solutions in Singapore. Recognising the potential for expansion in the Singapore market, the Group's business strategy is to strengthen its Singapore operation and to grow their revenue stream from overseas clients by focusing on key areas such as marketing and client relations. As such, the Group intends to strengthen their Singapore operations through talent acquisitions and establishing a Singapore office.

Further details of the Group business strategies and prospects and the Independent Market Research report are set out in Sections 7.23 and 8 of the Prospectus, respectively. Premised on the above, the Group remains optimistic of the prospects and outlook of the Group.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B4. Profit forecast and profit guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B5. Income tax expense

	Individual Quarter		Cumulative Quarter	
	Unaudited Current year quarter ended 31.05.2024 RM'000	Unaudited Preceding year quarter ended ⁽¹⁾ 31.5.2023 RM'000	Unaudited Current period-to-date 31.05.2024 RM'000	Unaudited Preceding period-to-date ⁽¹⁾ 31.05.2023 RM'000
Income tax expense				
- Current period	381	N/A	848	N/A
Effective tax rate ⁽¹⁾ (%)	20.19	N/A	20.92	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Notes:

(1) *The Group's effective tax rate for current quarter and period-to-date was lower than the statutory tax rate mainly due to recognition of deferred tax assets.*

(2) *This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.*

N/A *Not applicable.*

B6. Status of Corporate Proposals

Save as disclosed in Note A10, there were no other corporate proposals pending completion as at the date of this interim financial report.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B7. Utilisation of proceeds from the Public Issue

The gross proceeds from the Public Issue of RM24.50 million will be utilised in the following manner:

Utilisation of proceeds ⁽¹⁾	Amount of proceeds		Actual utilisation ⁽²⁾ (RM'000)	Balanced to be utilised (RM'000)	Estimated timeframe for use upon Listing
	(RM'000)	%			
Roll out of new core products and services	2,192	8.95	-	2,192	Within 24 months
Strengthening of Singapore operations	3,293	13.44	-	3,293	Within 24 months
Establishment of a COE for software solutions	3,795	15.49	-	3,795	Within 36 months
Hardware and software licensing fees	6,520	26.61	-	6,520	Within 24 months
Loan repayments	4,004	16.34	-	4,004	Within 6 months
Estimated listing expenses	4,696	19.17	-	4,696	Within 1 month
Total Public Issue proceeds	24,500	100.00	-	24,500	

Notes:

- (1) *The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus.*
- (2) *As at the interim of this report, the listing exercise of the Company is to be completed on 28 August 2024. As such, no proceeds has been utilised by the Group.*

B8. Group borrowings and debts securities

The Group's borrowings as at 31 May 2024 are as follows:

	Unaudited as at 31.05.2024	Audited as at 31.08.2023
	RM'000	RM'000
Non-current:		
- Long-term borrowings	3,919	4,009
Current:		
- Short-term borrowings	119	115
Total borrowings	4,038	4,124

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B9. Material litigations

There were no material litigations by or against the Group as at 31 May 2024.

B10. Dividends proposed

No dividend was proposed by the Board of Directors for the current quarter under review.

B11. Derivative financial instruments

There were no derivatives financial instruments used in the current quarter and year-to-date ended 31 May 2024.

B12. EPS

The basic and diluted EPS for the current financial quarter under review and financial period-to-date are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Unaudited Current year quarter ended 31.05.2024 RM'000	Unaudited Preceding year quarter ended 31.05.2023 ⁽²⁾ RM'000	Unaudited Current period- to-date 31.05.2024 RM'000	Unaudited Preceding period-to-date 31.05.2023 ⁽²⁾ RM'000
Profit attributable to owners of the Company	1,506	N/A	3,205	N/A
Weighted average number of ordinary shares in issue ('000)	294,000	N/A	294,000	N/A
Basic EPS (sen) ⁽¹⁾	0.51	N/A	1.09	N/A

Notes:

(1) Basic EPS is calculated based on the Company's issued share capital of 294,000,000 ordinary shares upon completion of the acquisition of VTCM and VTCS but before the IPO.

(2) This is the first interim financial report for the third quarter ended 31 May 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 28 August 2024 and as such no interim financial report was prepared for the comparative financial period concerned.

N/A Not applicable.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B13. Notes to the Condensed Combined Statements of Profit or Loss and Other Comprehensive Income (Continued)

The following items have been charged/(credited) in arriving at the profit before tax for the current financial quarter and the profit before tax for the financial period-to date:

	Individual Quarter		Cumulative quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	Current year quarter ended	Preceding year quarter ended ⁽¹⁾	Current period- to-date	Preceding period-to-date ⁽¹⁾
	31.05.2024	31.05.2023	31.05.2024	31.05.2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging / (crediting):				
Auditor remuneration	26	N/A	46	N/A
Depreciation of property, plant and equipment	44	N/A	149	N/A
Directors' remuneration	123	N/A	370	N/A
Employee benefit expenses	2,284	N/A	7,224	N/A
Interest expenses	44	N/A	133	N/A
Interest income	(14)	N/A	(26)	N/A
Unrealised gain on foreign exchange	(16)	N/A	(16)	N/A

Notes:

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

N/A *Not applicable.*

B14. Authorisation for Issue

This interim financial report was authorised for issue by the Board on 26 August 2024.

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