

VERSALINK HOLDINGS LIMITED
(Incorporated in Singapore on 21 April 2014)
(Registration No: 201411394N)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 28 FEBRUARY 2023 (UNAUDITED)

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group					
		Unaudited 6 months ended 28 Feb 2023	Unaudited 6 months ended 28 Feb 2022	Increase/ (Decrease)	Unaudited 12 months ended 28 Feb 2023	Audited 12 months ended 28 Feb 2022	Increase/ (Decrease)
		RM'000	RM'000	+ / (-) %	RM'000	RM'000	+ / (-) %
Revenue	4	20,813	24,187	(13.9)	44,837	37,775	18.7
Cost of sales		(16,049)	(18,362)	(12.6)	(33,321)	(29,310)	13.7
Gross profit		4,764	5,825	(18.2)	11,516	8,465	36.0
Interest income		183	119	53.8	264	224	17.9
Other income and gains		19,707	1,366	>100	20,064	1,485	>100
Marketing and distribution expenses		(1,837)	(2,312)	(20.5)	(3,711)	(3,747)	(1.0)
Administrative expenses		(5,230)	(3,126)	67.3	(8,515)	(5,801)	46.8
Other losses		(3,314)	(2,096)	58.1	(3,321)	(2,797)	18.7
Finance costs		(153)	(76)	>100	(214)	(147)	45.6
Profit/(Loss) before income tax	6	14,120	(300)	nm*	16,083	(2,318)	nm*
Income tax expenses	7	(286)	(36)	>100	(286)	(36)	>100
Profit/(Loss), net of income tax		13,834	(336)	nm*	15,797	(2,354)	nm*
Total comprehensive income/(loss) for the period/year		13,834	(336)	nm*	15,797	(2,354)	nm*
Profit/(Loss), net of tax attributable to:							
Owners of the Company		13,834	(336)	nm*	15,797	(2,354)	nm*
Non-controlling interest		-	-	-	-	-	-
Profit/(Loss), net of tax		13,834	(336)	nm*	15,797	(2,354)	nm*
Total comprehensive income/(loss) for the period/year attributable to:							
Owners of the Company		13,834	(336)	nm*	15,797	(2,354)	nm*
Non-controlling interest		-	-	-	-	-	-
Total comprehensive income/(loss) for the period/year		13,834	(336)	nm*	15,797	(2,354)	nm*
Earnings/(Loss) per share attributable to the owners of the Company (Sen Ringgit Malaysia)							
Basic (1) and diluted (2)		10.25	(0.25)		11.70	(1.74)	

*nm denotes not meaningful

Notes:

(1) Computed based on earnings/(loss) attributable to the owners of the Company for the respective financial periods/years divided by the weighted average number of ordinary shares in issue during the respective financial periods/years.

(2) As there are no dilutive potential ordinary shares that were outstanding during the respective financial periods/years, the diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share.

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(Unaudited)

B. Condensed Interim Consolidated Statements of Financial Position as at 28 February 2023

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		28.02.2023	28.02.2022	28.02.2023	28.02.2022
		RM'000	RM'000	RM'000	RM'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	9	8,101	28,850	-	-
Right-of-use assets		2,919	-	-	-
Intangible asset	10	-	-	-	-
Investment in subsidiaries		-	-	26,625	55,267
Total non-current assets		11,020	28,850	26,625	55,267
<u>Current assets</u>					
Inventories		8,622	13,119	-	-
Trade and other receivables, current		4,529	5,122	15,737	8,447
Other non-financial assets, current		3,002	1,556	31	32
Cash and cash equivalents		25,415	9,050	3,765	178
Total current assets		41,568	28,847	19,533	8,657
Total assets		52,588	57,697	46,158	63,924
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	11	36,435	62,513	36,435	62,513
(Accumulated losses)/Retained earnings		(8,501)	(16,215)	1,245	1,137
Foreign currency translation reserves		8	8	-	-
Total equity		27,942	46,306	37,680	63,650
<u>Non-current liabilities</u>					
Deferred tax liabilities		400	173	-	-
Other financial liabilities, non-current	12	95	608	-	-
Lease liabilities, arising from right-of-use assets, non-current		4,456	-	-	-
Total non-current liabilities		4,951	781	-	-
<u>Current liabilities</u>					
Provisions		1,680	840	-	-
Income tax payable		10	14	1	14
Dividend payable		8,083	-	8,083	-
Trade and other payables, current		6,590	6,857	394	260
Other financial liabilities, current	12	950	2,899	-	-
Lease liabilities, arising from right-of-use assets, current		2,382	-	-	-
Total current liabilities		19,695	10,610	8,478	274
Total liabilities		24,646	11,391	8,478	274
Total equity and liabilities		52,588	57,697	46,158	63,924

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C. Condensed Interim Consolidated Statements of Changes In Equity

<u>Group</u>	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance at 1 March 2022 (Audited)	62,513	8	(16,215)	-	46,306
Capital reduction via cash distribution	(26,078)	-	-	-	(26,078)
Profit for the financial year	-	-	15,797	-	15,797
Total comprehensive income for the year	-	-	15,797	-	15,797
Dividends	-	-	(8,083)	-	(8,083)
Balance at 28 February 2023 (Unaudited)	36,435	8	(8,501)	-	27,942
Balance at 1 March 2021 (Audited)	62,513	8	(13,861)	-	48,660
Loss for the financial year	-	-	(2,354)	-	(2,354)
Total comprehensive loss for the year	-	-	(2,354)	-	(2,354)
Balance at 28 February 2022 (Audited)	62,513	8	(16,215)	-	46,306
<u>Company</u>	Share Capital RM'000	Retained Earnings RM'000	Total Equity RM'000		
Balance at 1 March 2022 (Audited)	62,513	1,137	63,650		
Capital reduction via cash distribution	(26,078)	-	(26,078)		
Total comprehensive income for the year	-	8,191	8,191		
Dividends	-	(8,083)	(8,083)		
Balance at 28 February 2023 (Unaudited)	36,435	1,245	37,680		
Balance at 1 March 2021 (Audited)	62,513	2,986	65,499		
Total comprehensive loss for the year	-	(1,849)	(1,849)		
Balance at 28 February 2022 (Audited)	62,513	1,137	63,650		

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D. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	Unaudited 12 months ended 28 Feb 2023 RM'000	Audited 12 months ended 28 Feb 2022 RM'000
<u>Cash flows from operating activities</u>		
Profit/(Loss) before tax	16,083	(2,318)
Adjustments for:		
Depreciation of property, plant and equipment	1,977	2,201
Depreciation of right-of-use assets	265	31
Gain on disposal of property, plant and equipment	(19,213)	(139)
Interest income	(264)	(224)
Interest expenses	214	147
Plant and equipment written off	1,758	64
Operating cash flows before changes in working capital	<u>820</u>	<u>(238)</u>
Inventories	4,497	(1,279)
Trade and other receivables	(915)	871
Other non-financial assets	(1,726)	1,875
Other financial assets	-	2,433
Provision	840	840
Trade and other payables	(268)	(114)
Net cash flows from operations	<u>3,248</u>	<u>4,388</u>
Income taxes refund/(paid)	217	(19)
Net cash flows from operating activities	<u>3,465</u>	<u>4,369</u>
<u>Cash flows from/(used in) investing activities</u>		
Purchase of plant and equipment	(468)	(1,224)
Proceeds from disposal of property, plant and equipment	41,060	139
Repayment from associate	1,507	646
Interest received	264	224
Net cash flows from/(used in) investing activities	<u>42,363</u>	<u>(215)</u>
<u>Cash flows used in financing activities</u>		
Decrease in other financial liabilities	(2,601)	(978)
Interest paid	(129)	(147)
Lease liabilities	(655)	(33)
Capital reduction	(26,078)	-
Decrease in cash restricted in use	(18)	(11)
Net cash flows used in financing activities	<u>(29,481)</u>	<u>(1,169)</u>
Net increase in cash and cash equivalents	16,347	2,985
Cash and cash equivalents, statement of cash flows, beginning balance	<u>8,074</u>	<u>5,089</u>
Cash and cash equivalents, statement of cash flows, ending balance (Note A)	<u>24,421</u>	<u>8,074</u>

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Note A:

	Group	
	Unaudited	Audited
	12 months	12 months
	ended 28 Feb	ended 28 Feb
	2023	2022
	RM'000	RM'000
Cash and bank balances at end of the year	25,415	9,050
Cash pledged for bank facilities	(994)	(976)
Cash and cash equivalents as disclosed in consolidated statement of cash flow	<u>24,421</u>	<u>8,074</u>

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E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Versalink Holdings Limited (the "Company") is incorporated in Singapore with limited liability. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited on 24 September 2014.

The board of directors approved and authorised these condensed interim consolidated financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

These condensed interim consolidated financial statements as at and for the six months and full year ended 28 February 2023 comprise the Company and its subsidiaries (the "Group").

The principal activities of the Company are those of an investment holding company and the provision of management services.

The principal activities of the subsidiaries are manufacturing, marketing and sale of system furniture and other furniture related products.

The financial information contained in this announcement has neither been audited nor reviewed by the Company's auditors.

The latest audited annual consolidated financial statements of the Group for the year ended 28 February 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

The condensed interim consolidated financial statements are presented in Ringgit Malaysia ("RM") and all financial information have been rounded to the nearest thousand (RM'000), except when otherwise stated.

Uncertainties relating to the COVID-19 pandemic

Management has considered the current economic conditions caused by the Covid-19 pandemic, commodities inflation, as well as the war in Ukraine at the end of the reporting year and reviewed the probable impact and plausible downside scenarios. No material uncertainties were identified in connection with the reporting entity's ability to continue in operational existence for the near future.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months and full year ended 28 February 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last condensed interim consolidated financial statements for the six months ended 31 August 2022.

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2. Basis of preparation (Continued)

The accounting policies and methods of computation adopted are consistent with those adopted by the Company in its most recently audited annual consolidated financial statements for the year ended 28 February 2022, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

Accounting convention

The condensed interim consolidated financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

2.1 New and amended standards adopted by the Group

Other than the adoption of the new and amended standards from prior reporting year, there were no changes in accounting policies and methods of computation adopted in the condensed interim consolidated financial statements as compared to the most recently audited annual consolidated financial statements for the year ended 28 February 2022, which were in accordance with SFRS(I)s. These applicable new and amended standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

2.2 Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed interim consolidated financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual consolidated financial statements as at and for the year ended 28 February 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The Group's business are not affected significantly by seasonal or cyclical factors during the financial year.

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4. Segment and revenue information

The Group is organised into the following major business segments:

- (i) Domestic sales segment ("Domestic") - sales of office furniture derived from local market; and
- (ii) Export sales segment ("Export") - sales of office furniture to countries overseas.

These operating segments are reported in manner consistent with internal reporting provided to the operating decision maker who are responsible for allocating resources and assessing performance of the operating segments.

4.1 Reportable segments

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000	
1 September 2022 to 28 February 2023				
Revenue by segment				
Total revenue by segment	18,479	5,950	24,429	
Inter-segment sales	(3,616)	-	(3,616)	
Total revenue	14,863	5,950	20,813	
Cost of sales by segment				
Total cost of sales by segment	(15,399)	(4,297)	(19,696)	
Inter-segment cost of sales	3,647	-	3,647	
Total cost of sales	(11,752)	(4,297)	(16,049)	
Gross profit	3,111	1,653	4,764	
Recurring EBITDA				
Interest income			15,236	
Finance costs			183	
Depreciation and amortisation			(153)	
Profit before tax			(1,146)	
Income tax expenses			14,120	
Profit, net of tax			(286)	
Segment assets				
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	41,060	8,980	58,859	108,899
Elimination of inter-segment receivables	(1,247)	(2)	(55,062)	(56,311)
Total group assets	39,813	8,978	3,797	52,588
Segment liabilities				
Total liabilities for reportable segments	22,083	10,664	8,639	41,386
Elimination of inter-segment payables	(9,704)	(7,281)	(155)	(17,140)
Unallocated:				
Deferred tax liabilities	-	-	400	400
Total group liabilities	12,379	3,383	8,884	24,646

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4.1 Reportable segments (continued)

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000	
1 September 2021 to 28 February 2022				
Revenue by segment				
Total revenue by segment	21,903	6,002	27,905	
Inter-segment sales	(3,718)	-	(3,718)	
Total revenue	18,185	6,002	24,187	
Cost of sales by segment				
Total cost of sales by segment	(17,340)	(4,740)	(22,080)	
Inter-segment cost of sales	3,718	-	3,718	
Total cost of sales	(13,622)	(4,740)	(18,362)	
Gross profit	4,563	1,262	5,825	
Recurring EBITDA				
Interest income			770	
Finance costs			119	
Depreciation and amortisation			(76)	
Loss before tax			(1,113)	
Income tax expenses			(300)	
Loss, net of tax			(36)	
Segment assets				
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	49,799	8,287	63,926	122,012
Elimination of inter-segment receivables	(568)	(32)	(63,715)	(64,315)
Total group assets	49,231	8,255	211	57,697
Segment liabilities				
Total liabilities for reportable segments	10,813	9,145	413	20,371
Elimination of inter-segment payables	(2,198)	(6,800)	(155)	(9,153)
Unallocated:				
Deferred tax liabilities	-	-	173	173
Total group liabilities	8,615	2,345	431	11,391

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4.1 Reportable segments (continued)

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000	
1 March 2022 to 28 February 2023				
Revenue by segment				
Total revenue by segment	40,274	11,242	51,516	
Inter-segment sales	(6,679)	-	(6,679)	
Total revenue	33,595	11,242	44,837	
Cost of sales by segment				
Total cost of sales by segment	(32,014)	(8,017)	(40,031)	
Inter-segment cost of sales	6,710	-	6,710	
Total cost of sales	(25,304)	(8,017)	(33,321)	
Gross profit	8,291	3,225	11,516	
Recurring EBITDA				
Interest income			18,275	
Finance costs			264	
Depreciation and amortisation			(214)	
Profit before tax			(2,242)	
Income tax expenses			16,083	
Profit, net of tax			(286)	
Segment assets				
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	41,060	8,980	58,859	108,899
Elimination of inter-segment receivables	(1,247)	(2)	(55,062)	(56,311)
Total group assets	39,813	8,978	3,797	52,588
Segment liabilities				
Total liabilities for reportable segments	22,083	10,664	8,639	41,386
Elimination of inter-segment payables	(9,704)	(7,281)	(155)	(17,140)
Unallocated:				
Deferred tax liabilities	-	-	400	400
Total group liabilities	12,379	3,383	8,884	24,646

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4.1 Reportable segments (continued)

	Audited Export RM'000	Audited Domestic RM'000	Audited Group RM'000	
1 March 2021 to 28 February 2022				
Revenue by segment				
Total revenue by segment	34,103	8,871	42,974	
Inter-segment sales	(5,199)	-	(5,199)	
Total revenue	28,904	8,871	37,775	
Cost of sales by segment				
Total cost of sales by segment	(27,822)	(6,692)	(34,514)	
Inter-segment cost of sales	5,204	-	5,204	
Total cost of sales	(22,618)	(6,692)	(29,310)	
Gross profit	6,286	2,179	8,465	
Recurring LBITDA				
Interest income			(163)	
Finance costs			224	
Depreciation and amortisation			(147)	
Loss before tax			(2,232)	
Income tax expenses			(2,318)	
Loss, net of tax			(36)	
			(2,354)	
Segment assets				
	Audited Export RM'000	Audited Domestic RM'000	Audited Unallocated RM'000	Audited Group RM'000
Total assets for reportable segments	49,799	8,287	63,926	122,012
Elimination of inter-segment receivables	(568)	(32)	(63,715)	(64,315)
Total group assets	49,231	8,255	211	57,697
Segment liabilities				
Total liabilities for reportable segments	10,813	9,145	413	20,371
Elimination of inter-segment payables	(2,198)	(6,800)	(155)	(9,153)
Unallocated:				
Deferred tax liabilities	-	-	173	173
Total group liabilities	8,615	2,345	431	11,391

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Condensed Interim Consolidated Financial Statements for the Six Months and Full Year ended 28 February 2023 (Unaudited)

4.2 Disaggregation of Revenue

	Group		
	6 months ended 28 February 2023		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	14,863	5,950	20,813
Total revenue	14,863	5,950	20,813
<u>Timing of revenue recognition:</u>			
At a point in time	14,863	5,950	20,813
Total revenue	14,863	5,950	20,813
<u>Geographical locations of customers:</u>			
Malaysia	5,088	5,950	11,038
Middle East	2,791	-	2,791
North America	4,855	-	4,855
Asia and Oceania	1,786	-	1,786
Singapore	248	-	248
Others	95	-	95
Total revenue	14,863	5,950	20,813
	Group		
	6 months ended 28 February 2022		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	18,264	5,923	24,187
Total revenue	18,264	5,923	24,187
<u>Timing of revenue recognition:</u>			
At a point in time	18,264	5,923	24,187
Total revenue	18,264	5,923	24,187
<u>Geographical locations of customers:</u>			
Malaysia	6,565	5,923	12,488
Middle East	2,150	-	2,150
North America	8,191	-	8,191
Asia	950	-	950
Singapore	408	-	408
Total revenue	18,264	5,923	24,187

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4.2 Disaggregation of Revenue (continued)

	Group		
	12 months ended 28 February 2023		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	33,595	11,242	44,837
Total revenue	33,595	11,242	44,837
<u>Timing of revenue recognition:</u>			
At a point in time	33,595	11,242	44,837
Total revenue	33,595	11,242	44,837
<u>Geographical locations of customers:</u>			
Malaysia	10,476	11,242	21,718
Middle East	4,939	-	4,939
North America	13,113	-	13,113
Asia and Oceania	4,253	-	4,253
Singapore	545	-	545
Others	269	-	269
Total revenue	33,595	11,242	44,837
	Group		
	12 months ended 28 February 2022		
	Audited Export RM'000	Audited Domestic RM'000	Audited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	28,904	8,871	37,775
Total revenue	28,904	8,871	37,775
<u>Timing of revenue recognition:</u>			
At a point in time	28,904	8,871	37,775
Total revenue	28,904	8,871	37,775
<u>Geographical locations of customers:</u>			
Malaysia	6,565	8,871	15,436
Middle East	3,350	-	3,350
North America	14,108	-	14,108
Asia	3,990	-	3,990
Singapore	574	-	574
Others	317	-	317
Total revenue	28,904	8,871	37,775

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4.2 Disaggregation of Revenue (continued)

A breakdown of sales as follows:

	Group		
	Unaudited Financial Year ended 28 Feb 2023 RM'000	Audited Financial Year ended 28 Feb 2022 RM'000	Increase/ (Decrease) %
Sales reported for first half year	24,024	13,588	76.8
Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	1,963	(2,018)	nm*
Sales reported for second half year	20,813	24,187	(13.9)
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	13,834	(336)	nm*

*nm denotes not meaningful

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and liabilities of the Group and the Company as at 28 February 2023 and 28 February 2022:

	Group		Company	
	Unaudited 28 Feb 2023 RM'000	Audited 28 Feb 2022 RM'000	Unaudited 28 Feb 2023 RM'000	Audited 28 Feb 2022 RM'000
Financial Assets				
Financial assets at amortised cost	29,944	14,172	19,502	8,625
Financial Liabilities				
Financial liabilities at amortised cost	20,324	9,336	8,477	260

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6. Profit/(Loss) before income tax

6.1 Significant items

	Group			
	Unaudited 6 months ended 28 Feb 2023 RM'000	Unaudited 6 months ended 28 Feb 2022 RM'000	Unaudited 12 months ended 28 Feb 2023 RM'000	Audited 12 months ended 28 Feb 2022 RM'000
Income				
Interest income	(183)	(119)	(264)	(224)
Foreign exchange adjustment gains, net	-	(38)	-	(40)
Gain on disposal of property, plant and equipment	(19,177)	(83)	(19,213)	(139)
Government grant	-	(21)	-	(21)
Wages subsidy scheme by Malaysia government	-	(81)	-	(126)
Insurance claim	(265)	(677)	(265)	(677)
Reversal of allowance for impairment on trade receivables				
- collectively impaired	-	(310)	-	(310)
Reversal of allowance for impairment on other receivables due from an associate				
- individually impaired	(585)	-	(585)	-
Reversal of inventories written down	(102)	-	(13)	-
Expenses				
Allowance for impairment on trade receivables				
- individually impaired	-	758	-	1,455
- collectively impaired	151	-	151	-
Allowance for impairment on other receivables due from an associate				
- individually impaired	-	438	-	438
Inventories written down	-	342	-	342
Provision for litigation	840	840	840	840
Depreciation of property, plant and equipment	881	1,113	1,977	2,201
Depreciation of right-of-use assets	265	-	265	31
Foreign exchange adjustment loss, net	879	-	573	-
Interest expenses	68	76	129	147
Interest on lease liabilities	85	-	85	-
Plant and equipment written off	1,758	64	1,758	64

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6. Profit/(Loss) before income tax (continued)

6.2 Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not significant.

a) Key management compensation:

	Group			
	Unaudited 6 months ended 28 Feb 2023	Unaudited 6 months ended 28 Feb 2022	Unaudited 12 months ended 28 Feb 2023	Audited 12 months ended 28 Feb 2022
	RM'000	RM'000	RM'000	RM'000
Salaries and other short-term employee benefits	1,609	920	2,861	1,712

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

	Group			
	Unaudited 6 months ended 28 Feb 2023	Unaudited 6 months ended 28 Feb 2022	Unaudited 12 months ended 28 Feb 2023	Audited 12 months ended 28 Feb 2022
	RM'000	RM'000	RM'000	RM'000
Remuneration of directors of the company	555	587	1,104	1,074
Fees to directors of the company	180	163	328	302

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. Key management compensation comprised those of directors and other key management personnel totalling 12 (28 February 2022: 14) persons.

b) Other receivables from related parties:

The movements in other receivables from related parties are as follows:

<u>Company</u>	<u>Subsidiaries</u>	
	Unaudited 28 Feb 2023	Audited 28 Feb 2022
	RM'000	RM'000
<u>Other receivables:</u>		
Balance at beginning of the year	4,534	4,550
Amounts paid in and settlement of liabilities on behalf of the company	-	(40)
Amounts paid out and settlement of liabilities on behalf of subsidiaries	6,973	24
Balance at end of the year	11,507	4,534

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7. Taxation

The Group calculated the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expenses in the condensed interim consolidated statement of profit or loss and other comprehensive income are:

	Group			
	Unaudited 6 months ended 28 Feb 2023 RM'000	Unaudited 6 months ended 28 Feb 2022 RM'000	Unaudited 12 months ended 28 Feb 2023 RM'000	Audited 12 months ended 28 Feb 2022 RM'000
<u>Current tax expenses</u>				
Current income tax expenses	(54)	(9)	(54)	(9)
Underprovision in respect of prior periods	(5)	(27)	(5)	(27)
	<u>(59)</u>	<u>(36)</u>	<u>(59)</u>	<u>(36)</u>
<u>Deferred tax expenses</u>				
Origination and reversal of temporary differences	(227)	-	(227)	-
Total income tax expenses	<u>(286)</u>	<u>(36)</u>	<u>(286)</u>	<u>(36)</u>

8. Net Asset Value ("NAV")

	Group		Company	
	Unaudited 28 Feb 2023	Audited 28 Feb 2022	Unaudited 28 Feb 2023	Audited 28 Feb 2022
NAV (RM'000)	27,942	46,306	37,680	63,650
Number of ordinary shares ('000)	135,000	135,000	135,000	135,000
NAV per ordinary share (Sen Ringgit Malaysia)	<u>20.7</u>	<u>34.3</u>	<u>27.9</u>	<u>47.1</u>

9. Property, plant and equipment

During the financial year ended 28 February 2023, the Group acquired plant and equipment amounting to RM608,182 (28 February 2022: RM2,486,529) and disposed of property, plant and equipment amounting to RM22,154,407 (28 February 2022: RM1,276,715) at cost with the gain on disposal of property, plant and equipment of RM19,213,351 (28 February 2022: RM139,345).

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10. Intangible Asset

	Group	
	Unaudited 28 Feb 2023	Audited 28 Feb 2022
	RM'000	RM'000
<u>Cost:</u>		
At 1 March 2021, 28 February 2022 and 28 February 2023	910	910
<u>Accumulated amortisation and impairment losses:</u>		
At 1 March 2021, 28 February 2022 and 28 February 2023	910	910
<u>Net carrying value:</u>		
At 1 March 2021, 28 February 2022 and 28 February 2023	-	-

Development cost relates to the designer fees incurred in relation to the creation of a new luxury system furniture range by an Italian Architectural Firm.

The decreasing performance of the luxury system furniture by an Italian Architectural Firm with the brand of _AD MAIORA was considered sufficient to trigger the impairment test. The amounts have been fully impaired since the reporting year ended 28 February 2019.

11. Share capital

	The Group and the Company	
	Number of shares issued	Share capital
	'000	RM'000
<u>Ordinary shares of no par value (excluding treasury shares):</u>		
As at 28 February 2022, 31 August 2022 and 30 November 2022	135,000	62,513
Capital reduction via cash distribution	-	(26,078)
As at 28 February 2023	135,000	36,435

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

There has been no change in the Company's total number of issued ordinary shares of 135,000,000 for the financial year ended 28 February 2023 since the end of the previous financial period reported on. During the financial year in January 2023, the Company completed a capital reduction exercise which involved a cash distribution of S\$8.10 million to its shareholders on the basis of S\$0.06 per ordinary share in the capital of the Company. The capital reduction exercise did not result in any change in the number of issued ordinary shares

There were no outstanding convertibles, subsidiary holdings or treasury shares as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial year reported on.

There were no sales, transfers, cancellation and/or use of subsidiary holdings during and as at the end of the current financial year reported on.

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12. Group's borrowings and debts securities

	Group			
	Unaudited		Audited	
	28 Feb 2023	28 Feb 2023	28 Feb 2022	28 Feb 2022
Amount repayable within one year, or on demand	Secured	Unsecured	Secured	Unsecured
	RM'000	RM'000	RM'000	RM'000
Bankers' acceptance	-	924	1,888	561
Bank loans	-	-	450	-
Finance lease payables	26	-	-	-
	<u>26</u>	<u>924</u>	<u>2,338</u>	<u>561</u>
Amount repayable after one year				
Bank loans	-	-	608	-
Finance lease payables	95	-	-	-
	<u>95</u>	<u>-</u>	<u>608</u>	<u>-</u>
Total	<u>121</u>	<u>924</u>	<u>2,946</u>	<u>561</u>

The Group's secured borrowings stood at RM0.1 million and RM2.9 million as at 28 February 2023 and 28 February 2022 respectively.

As at 28 Feb 2023, the Group's secured borrowings are covered and secured by pledged of fixed deposits and the corporate guarantee by the Company.

As at 28 Feb 2022, the Group's secured borrowings are covered and secured by the following:

- (i) First party charge against the freehold land and buildings of the Group;
- (ii) Joint and several guarantees by the non-controlling shareholders of a subsidiary;
- (iii) Corporate guarantee for RM1,900,000 executed by Versalink Marketing Sdn. Bhd. to Jemaramas Jaya Sdn. Bhd.; and
- (iv) Pledged of fixed deposits.

13. Subsequent events

There were no known subsequent events which have/will lead to adjustments to this set of condensed interim consolidated financial statements.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")

1. Review

The condensed interim consolidated statement of financial position of the Company and its subsidiaries as at 28 February 2023 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flow for the six months and full year ended 28 February 2023 and explanatory notes have not been audited or reviewed by the Company's auditors.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- a) Updates on the efforts taken to resolve each outstanding audit issue.
- b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 28 February 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

2. Review of the performance of the Group

2.1 Review of Statement of Profit or Loss and Other Comprehensive Income

Turnover

The Group's revenue increased by approximately RM7.06 million, or approximately 18.7% from approximately RM37.78 million for the financial year ended 28 February 2022 ("FY2022") to approximately RM44.84 million for the financial year ended 28 February 2023 ("FY2023") mainly due to higher revenue contribution from both the export and domestic segments.

The revenue contribution by export segment amounted to 74.9% and 76.5% of the Group's total revenue in FY2023 and FY2022 respectively whilst the revenue contribution by domestic segment amounted to 25.1% and 23.5% of the Group's total revenue in FY2023 and FY2022 respectively.

The export segment recorded a higher revenue of approximately RM33.6 million in FY2023, as compared to approximately RM28.9 million in FY2022. The increase in revenue of approximately RM4.7 million was mainly contributed by the increase in revenue from Middle East and Malaysia of approximately RM5.5 million from approximately RM9.90 million in FY2022 to approximately RM15.4 million in FY2023.

The domestic segment also recorded a higher revenue of approximately RM11.2 million in FY2023, as compared to approximately RM8.9 million in FY2022. The increase in revenue of approximately RM2.3 million was mainly due to higher revenue generated from the Central region of Peninsular Malaysia ("Central Region"). Central Region revenue increased by approximately RM3.0 million from approximately RM5.8 million in FY2022 to approximately RM8.8 million in FY2023.

The increase in revenue for both segments in FY2023 was mainly due to the recovery of the Group's production activities in FY2023 to pre-pandemic levels whilst the Group's production activities in FY2022 was affected by two and a half months pandemic production halted under the Malaysia nationwide Full Movement Control Order (FMCO 3.0) which started from 1 June 2021.

Gross profit

The gross profit and gross profit margin improved from approximately RM8.5 million and 22.4% in FY2022 to approximately RM11.5 million and 25.7% in FY2023. The increases in gross profit and gross profit margin were in tandem with the increase in the Group's revenue by 18.7%, while cost of sales increased by 13.7% due to enhanced cost controls implemented by the Group during FY2023.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")**2.1 Review of Statement of Profit or Loss and Other Comprehensive Income (Continued)****Gross profit (Continued)**

The gross profit and gross profit margin for export segment increased from approximately RM6.3 million and 21.7% in FY2022 to approximately RM8.3 million and 24.7% in FY2023. The gross margin and gross profit margin improved mainly due to the improvement in productivity, ie reduction of staff cost at 14.6% of export revenue in FY2023 (FY2022: 16.0%) and reduction of production overhead at 9.4% of export revenue in FY2023 (FY2022: 11.3%), as a result of enhanced cost controls implemented by the Group during FY2023, partially offset against increase of direct material consumption at 55.5% of export revenue in FY2023 (FY2022: 54.0%).

The gross profit and gross profit margin for domestic segment also increased from approximately RM2.2 million and 24.6% in FY2022 to approximately RM3.2 million and 28.7% in FY2023 mainly due to the enhanced cost controls implemented by the Group during FY2023.

Interest income

Interest income increased by approximately RM0.04 million from approximately RM0.22 million in FY2022 to approximately RM0.26 million in FY2023 mainly due to increase in interest income from bank of approximately RM0.21 million in FY2023 (FY2022: approximately RM0.07 million), partially offset against the reduction in interest income from associate of approximately RM0.05 million in FY2023 (FY2022: approximately RM0.15 million).

Other income and gains

Other income and gains increased from approximately RM1.48 million in FY2022 to approximately RM20.06 million in FY2023 mainly due to an one-off gain on disposal of property, plant and equipment of approximately RM19.21 million in FY2023 (FY2022: approximately RM0.14 million), partially offset by lower insurance claims of approximately RM0.26 million in FY2023 (FY2022: approximately RM0.68 million) and absence of foreign exchange gain and HRDF claim for COVID vaccination in FY2023 (FY2022: approximately RM0.04 million and RM0.03 million respectively). For more information on the disposal of property, please refer to the Company's announcements dated 12 July 2022, 23 September 2022, 3 November 2022 and 2 December 2022.

Marketing and distribution expenses

Marketing and distribution expenses decreased by approximately RM0.04 million or approximately 1.0% from approximately RM3.75 million in FY2022 to approximately RM3.71 million in FY2023. This was mainly due to the decrease of professional legal fees for the legal case with Ahmad Zaki Sdn Bhd, of approximately of RM0.09 million in FY2023 (FY2022: approximately RM0.13 million). For more information on the legal case, please refer to the Company announcement on 11 April 2023.

Administrative expenses

Administrative expenses increased by approximately RM2.72 million or approximately 46.8% from approximately RM5.80 million in FY2022 to approximately RM8.52 million in FY2023. This was mainly due to the increase of (i) staff costs of approximately RM0.83 million; (ii) levy expenses for foreign employees of approximately RM0.29 million; (iii) professional fees incurred for the disposal of property of approximately RM1.40 million; and (iv) depreciation of right-of-use asset relating to the leaseback of property, which commenced during FY2023, of approximately RM0.27 million (FY2022: Nil), partial offset against consultancy fees of approximately RM0.01 million (FY2022: 0.08 million).

Other losses

Other losses increased by approximately RM0.52 million or approximately 18.7% from approximately RM2.80 million in FY2022 to approximately RM3.32 million in FY2023 mainly due to the increase of (i) plant and equipment written off of approximately RM1.76 million mainly due to unsuccessful completion of capital work-in-progress (FY2022: approximately RM0.06 million); and (ii) realised and unrealised foreign exchange loss of approximately RM0.18 million and RM0.39 million respectively in FY2023, due to weakening of Malaysia ringgit against foreign currencies as well as foreign currency translation loss due to the payment of dividends by the Company in Singapore dollars (FY2022: Nil), partially offset against allowance for impairment on trade receivable of approximately RM0.15 million as lesser allowance for impairment on trade receivables was recorded for FY2023 (FY2022: approximately RM1.46 million) and absence of allowance of impairment on associate (FY2022: approximately RM0.44 million).

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")**2.1 Review of Statement of Profit or Loss and Other Comprehensive Income (Continued)****Finance costs**

Finance costs increased from approximately RM0.15 million for FY2022 to approximately RM0.21 million in FY2023 due to increase in interest of lease liability of approximately RM0.08 million (FY2022: Nil), partially offset against decrease in interest of bankers' acceptance of approximately RM0.07 million in FY2023 (FY2022: approximately RM0.09 million).

Income tax expense

Income tax expense comprises current income tax expense, underprovision for taxation in prior years and deferred tax adjustments. Provision of current year taxation amounted to RM0.05 million provided for in FY2023 while RM0.01 million was provided for in FY2022. Underprovision of taxation in FY2023 was RM0.01 million while FY2022 was RM0.03 million. Deferred tax adjustment of RM0.23 million was made in FY2023 (FY2022:Nil).

Profit/(Loss), net of tax

As a result of the above, the Group reported a net profit after tax of approximately RM15.80 million in FY2023 as compared to a net loss after tax of approximately RM2.35 million in FY2022.

2.2 Review of Statement of Financial Position**Non-Current Assets**

As at 28 February 2023, the Group's non-current assets amounted to approximately RM11.02 million or approximately 21.0% of the Group's total assets and mainly comprised the following:

- (i) property, plant and equipment of approximately RM8.10 million or 73.5% of the Group's total non-current assets, which comprised plant and equipment, as compared to approximately RM28.85 million as at 28 February 2022, which comprised property, plant and equipment. The decrease was due to the disposal of property which had been completed on 2 December 2022. For more information on the disposal of property, please refer to the Company's announcements dated 12 July 2022, 23 September 2022, 3 November 2022 and 2 December 2022;
- (ii) right-of-use assets of approximately RM2.9 million or 26.5% of the Group's total non-current assets. The increase in right-of-use assets of approximately RM2.9 million was mainly due to the leaseback of property, which commenced during FY2023.

Current Assets

As at 28 February 2023, the Group's current assets amounted to approximately RM41.57 million or approximately 79.0% of the Group's total assets and comprised the following:

- (i) inventories of approximately RM8.62 million or approximately 20.8% of the Group's total current assets, which comprised raw materials, work-in-progress and finished goods. The decrease in inventories of approximately RM4.50 million was mainly due to improvement of stock control;
- (ii) trade and other receivables of approximately RM4.53 million or approximately 10.9% of the Group's total current assets, which mainly consist of trade receivables of approximately RM3.53 million and other receivables of approximately RM1.0 million. The decrease in trade and other receivables of approximately RM0.7 million was mainly due to insurance claim for FY2022 of approximately RM0.66 million which was received in FY2023;
- (iii) other non-financial assets of approximately RM3.00 million or approximately 7.2% of the Group's total current assets. The increase in other non-financial assets of approximately RM1.45 million was mainly due to increase in (i) deposit of approximately RM1.13 million; and (ii) advance payment to supplier of approximately RM0.54 million, partially offset against income taxes refund of approximately RM0.22 million; and
- (iv) cash and cash equivalents of approximately RM25.42 million or approximately 61.1% of the Group's total current assets. Please refer to the section entitled "Review of Statement of Cash Flows" below for the movements in the Group's cash and cash equivalents.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")**2.2 Review of Statement of Financial Position (Continued)****Non-Current Liabilities**

As at 28 February 2023, the Group's non-current liabilities amounted to approximately RM4.95 million or approximately 20.1% of the Group's total liabilities and comprised the following:

- (i) deferred tax liabilities of approximately RM0.40 million or approximately 8.1% of the Group's total non-current liabilities. The increase in deferred tax liabilities of approximately RM0.2 million was due to taxable temporary timing difference between depreciation and capital allowances of assets;
- (ii) other financial liabilities of approximately RM0.10 million or approximately 1.9% of the Group's total non-current liabilities. The decrease in other financial liabilities of approximately RM0.5 million was mainly due to repayment of the bank term loan of approximately RM0.6 million which was partially offset by the drawdown of hire purchase of approximately RM0.1 million; and
- (iii) lease liabilities of approximately RM4.45 million or approximately 90.0% of the Group's total non-current liabilities. The increase in lease liabilities of approximately RM4.45 million was mainly due to the leaseback of property, which commenced during FY2023.

Current Liabilities

As at 28 February 2023, the Group's current liabilities amounted to approximately RM19.69 million or approximately 79.9% of the Group's total liabilities and comprised the following:

- (i) provisions of approximately RM1.68 million or approximately 8.5% of the Group's current liabilities. The increase in provisions of approximately RM0.84 million was mainly due to additional provisions of RM0.84 million in respect of a litigation involving a wholly owned subsidiary in February 2022;
- (ii) income tax payable of approximately RM0.01 million or approximately 0.1% of the Group's current liabilities;
- (iii) dividend payable of approximately RM8.08 million or approximately 41.0% of the Group's current liabilities. This related to an interim dividend declared for the third quarter ended 30 November 2022, which was paid out subsequent to the end of FY2023;
- (iv) trade and other payables of approximately RM6.59 million or approximately 33.5% of the Group's total current liabilities which consist mainly trade payables of approximately RM2.32 million and other payables of approximately RM4.27 million. The decrease in trade and other payables of approximately RM0.27 million was mainly due to lesser purchase from supplier as result of the tightened stock control;
- (v) other financial liabilities of approximately RM0.95 million or approximately 4.8% of the Group's total current liabilities. The decrease in other financial liabilities of approximately RM1.95 million was mainly due to repayment of bankers' acceptance, term loan and hire purchase of a total of approximately RM2.09 million, partially offset by drawdown of hire purchase of approximately RM0.14 million; and
- (vi) lease liabilities of approximately RM2.38 million or approximately 12.1% of the Group's total current liabilities. The increase in lease liabilities of approximately RM2.38 million was mainly due to the leaseback of property, which commenced during FY2023.

Shareholders' equity

As at 28 February 2023, the Group's equity attributable to equity holders was approximately RM27.94 million, comprising share capital of approximately RM36.44 million, and net capital deficit of approximately RM8.50 million.

Working Capital Position

The Group reported a positive working capital position of approximately RM21.87 million as at 28 February 2023, as compared to approximately RM18.24 million as at 28 February 2022.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")

2.3 Review of Statement of Cash Flows

As at 28 February 2023, the Group recorded cash and cash equivalents of approximately RM24.42 million as compared to approximately RM8.07 million as at 1 March 2022.

Net cash from operating activities for FY2023 amounted to approximately RM3.46 million. This was mainly due to (i) operating cash inflows before changes in working capital of approximately RM0.82 million; (ii) net working capital inflows of approximately RM2.42 million due mainly to the decrease in inventories of approximately RM4.50 million, increase in provision of approximately RM0.84 million, partially offset against the decrease of trade and other payables of approximately RM0.27 million, increase in trade and other receivables of approximately RM0.92 million and increase in other non-financial assets of approximately RM1.73 million; and (iii) income taxes refunded of approximately RM0.22 million.

Net cash from investing activities for FY2023 amounted to approximately RM42.36 million. This was mainly due to proceeds from disposal of property, plant and equipment totalling approximately RM41.06 million (which comprised mainly the proceeds from the disposal of property), repayment from associate of approximately RM1.51 million and interest income received of approximately RM0.26 million, partially offset by the purchase of plant and equipment of approximately RM0.47 million.

Net cash used in financing activities for FY2023 amounted to approximately RM29.48 million. This was mainly due to (i) cash distribution to shareholders pursuant to the capital reduction of approximately RM26.08 million; (ii) repayment of bank loan, hire purchase, bankers' acceptance and lease liabilities of approximately a total of RM3.27 million; and (iii) interest paid of approximately RM0.13 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The condensed interim consolidated financial statements for FY2023 as set out in this announcement, are in line with the profit guidance announcement for FY2023 released by the Company on 18 April 2023.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The global economy continues to face many challenges such as on-going geo-political tensions in Russia-Ukraine conflict and the recent collapse of 2 US banks, US Federal Reserve announcement on series of interest rate hikes to tackle high inflation rates, volatility in foreign exchanges and disruptions to the global supply chain.

The Group remains cautious and expects the manufacturing sector to be challenging for financial year 2024. The Group is continuing with concerted efforts to develop new products, new design for existing products, derive better cost efficiencies and effective cost control across all departments and divisions.

5. Dividend information

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported?

The Board of Directors of the Company had declared an interim dividend for the third quarter ended 30 November 2022, but no final dividend was declared or recommended for FY2023 (FY2022: Nil). Details as set out in the table below.

Name of Dividend	Interim Dividend	Final Dividend
Dividend Type	Cash	Nil
Dividend Amount per Share (in cents)	1.8 Singapore cent per share	Nil
Tax Rate	Tax Exempt (one-tier)	No applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")

5. Dividend information (Continued)

(c) Date payable

Not applicable.

(d) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

(e) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No final dividend has been declared or recommended for FY2023 as the Group deems it appropriate to retain cash for its operations.

(f) Total Annual Dividend

	FY2023	FY2022
	RM'000	RM'000
Ordinary	8,083	-
Preference	-	-
Total	<u><u>8,083</u></u>	<u><u>-</u></u>

6. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalyst Rules.

There were no interested person transactions exceeding S\$100,000 entered into by the Group during the current financial period reported on.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules.

The Company has received undertakings from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalyst Rules.

8. Disclosure of acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period pursuant to Rule 706A of the Catalyst Rules.

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 28 February 2023.

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Condensed Interim Consolidated Financial Statements for the Six Months and Full Year ended 28 February 2023 (Unaudited)

Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")

9. Disclosure of persons occupying managerial positions who are related to a director, chief executive officer ("CEO") or substantial shareholder

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of any changes in duties and position held, if any during the year
Madam Wong Hon Mui	44	Spouse of Executive Director and Group Chief Executive Officer (Law Kian Siong)	PA to Group CEO since 1 May 2012 (Responsible for supporting work of management, administrative, clerical and managerial task)	Nil
Mr. Law Kian Guan	44	Son of substantial shareholders of the Company (Law Boon Seng and Lee Yuet Chin) Sibling of Executive Director and Group Chief Executive Officer (Law Kian Siong), Non-Independent Non-Executive Director (Law Pei Ling) and substantial shareholder of the Company (Law Kian Hong)	Director of subsidiaries since 1 June 2017 (Responsible for production, project and site management of the subsidiaries and technical aspects of the products)	Executive Director of the Company (Note 1)

Note 1: Mr. Law Kian Guan ceased to be an Executive Director of the Company on 8 March 2022.

**BY ORDER OF THE BOARD OF DIRECTORS
VERSALINK HOLDINGS LIMITED**

LAW KIAN SIONG
Executive Director and Group Chief Executive Officer
29th April 2023

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd., at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, telephone: +65 6636 4201.