

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION



Date: **30 JUN 2023**

The Board of Directors
KEYFIELD INTERNATIONAL BERHAD
B-31-02, Tower B, Pavilion Embassy,
No 200, Jalan Ampang,
50450 Kuala Lumpur.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
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Dear Sirs and Madam,

**KEYFIELD INTERNATIONAL BERHAD
("KEYFIELD" OR "THE COMPANY")
REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION AS AT 31 DECEMBER 2022**

We have completed our assurance engagement to report on the compilation of Pro Forma Consolidated Statements of Financial Position of Keyfield and its subsidiaries (collectively known as "the Group") as at 31 December 2022 together with the accompanying notes thereon, for which we have stamped for the purpose of identification.

The Pro Forma Consolidated Statements of Financial Position have prepared for inclusion in the Prospectus of Keyfield in connection with the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad ("the Listing"). The applicable criteria on the basis of which the Board of Directors of Keyfield has compiled the Pro Forma Consolidated Statements of Financial Position are set out in Note 3 of Appendix A, and in accordance with the Prospectus Guidelines - Equity issued by the Securities Commission Malaysia ("Prospectus Guidelines") and described in the Notes to the Pro Forma Consolidated Statements of Financial Position.

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Board of Directors of Keyfield to illustrate the impact of the events or transactions as described in the Notes to the Pro Forma Consolidated Statements of Financial Position as if these events have been in existence throughout the financial year. As part of this process, information about the Group's financial position have been extracted by the Board of Directors of Keyfield from the Audited Financial Statements of Keyfield for the financial year ended 31 December 2022.

THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis as described in the Notes to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

13. **REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)**



REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirement of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standard Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The Firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines issued by the Securities Commission Malaysia, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Board of Directors of the Company on the basis as described in the Notes to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis of the applicable criteria.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

The purpose of Pro Forma Consolidated Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.


OPINION

In our opinion, the Pro Forma Consolidated Statements of Financial Position of the Group have been compiled, in all material respects, on the basis described in the Notes to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

OTHER MATTER

This letter has been prepared solely for the purpose stated above, in connection with the Listing. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,


Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur


Chin Kit Seong
03030/01/2025 J
Chartered Accountant

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

KEYFIELD INTERNATIONAL BERHAD PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022



		Keyfield as at FYE 31 December 2022 RM'000	Subsequent Events RM'000	Pro Forma I After Subsequent Events RM'000	Issuance of Keyfield Shares and Redemption of Keyfield CRNCPS RM'000	Pro Forma II After Pro Forma I, and Issuance of Keyfield Shares and Redemption of Keyfield CRNCPS RM'000	Public Issue RM'000	Pro Forma III After Pro Forma II and Public Issue RM'000	Utilisation of Proceeds RM'000	Pro Forma IV After Pro Forma III and Utilisation of Proceeds RM'000
NON-CURRENT ASSETS										
		229	-	229	-	229	-	229	-	229
Investment in an associate										
Property, plant and equipment	6.1	368,567	130,000	498,567	-	498,567	-	498,567	-	498,567
Investment property		1,555	-	1,555	-	1,555	-	1,555	-	1,555
Right-of-use assets	6.2	19,068	1,466	20,534	-	20,534	-	20,534	-	20,534
Other investments		218	-	218	-	218	-	218	-	218
		389,637	131,466	521,103	-	521,103	-	521,103	-	521,103
CURRENT ASSETS										
Inventories		2,141	-	2,141	-	2,141	-	2,141	-	2,141
Trade receivables		88,008	-	88,008	-	88,008	-	88,008	-	88,008
Other receivables, deposits and prepayments		735	-	735	-	735	-	735	-	735
Current tax assets		72	-	72	-	72	-	72	-	72
Fixed deposits with licensed banks		6,240	-	6,240	-	6,240	-	6,240	-	6,240
Cash and bank balances	6.3	17,024	(5,010)	12,014	-	12,014	[•]	[•]	[•]	[•]
		114,220	(5,010)	109,210	-	109,210	[•]	[•]	[•]	[•]
TOTAL ASSETS		503,857	126,456	630,313	-	630,313	[•]	[•]	[•]	[•]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)**KEYFIELD INTERNATIONAL BERHAD****PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 (CONT'D)**

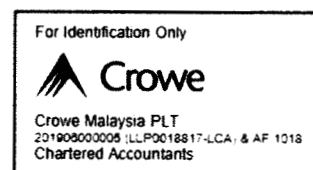
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Chartered Accountants

	Note	Keyfield as at FYE 31 December 2022 RM'000	Subsequent Events RM'000	Pro Forma I After Subsequent Events RM'000	Issuance of Keyfield Shares and Redemption of Keyfield CRNCPS RM'000	Pro Forma II After Pro Forma I, and Issuance of Keyfield Shares and Redemption of Keyfield CRNCPS RM'000	Public Issue RM'000	Pro Forma III After Pro Forma II and Public Issue RM'000	Utilisation of Proceeds RM'000	Pro Forma IV After Pro Forma III and Utilisation of Proceeds RM'000
EQUITY AND LIABILITIES										
EQUITY										
Share capital	6.4	125,260	-	125,260	[•]	[•]	[•]	[•]	[•]	[•]
Reserves	6.5	62,712	(5,023)	57,689	-	57,689	-	57,689	[•]	[•]
Equity attributable to owners of the Company		187,972	(5,023)	182,949	[•]	[•]	[•]	[•]	[•]	[•]
Non-controlling interest		4,365	-	4,365	-	4,365	-	4,365	-	4,365
TOTAL EQUITY		192,337	(5,023)	187,314	[•]	[•]	[•]	[•]	[•]	[•]
NON-CURRENT LIABILITIES										
Cumulative redeemable non-convertible preference shares ("CRNCPS")	6.6	136,778	-	136,778	[•]	[•]	-	[•]	[•]	[•]
Lease liabilities	6.7	8,040	2,005	10,045	-	10,045	-	10,045	-	10,045
Other payables	6.8	2,000	106,651	108,651	-	108,651	-	108,651	[•]	[•]
Borrowings	6.9	27,461	-	27,461	-	27,461	-	27,461	-	27,461
Deferred tax liability		29,634	-	29,634	-	29,634	-	29,634	-	29,634
		203,913	108,656	312,569	[•]	[•]	-	[•]	[•]	[•]
CURRENT LIABILITIES										
Trade payables		33,719	-	33,719	-	33,719	-	33,719	-	33,719
Other payables and accruals	6.8	7,338	23,349	30,687	-	30,687	-	30,687	[•]	[•]
CRNCPS	6.6	3,563	-	3,563	-	3,563	-	3,563	-	3,563
Lease liabilities	6.7	10,897	(526)	10,371	-	10,371	-	10,371	-	10,371
Borrowings	6.9	51,877	-	51,877	-	51,877	-	51,877	[•]	[•]
Current tax liabilities		213	-	213	-	213	-	213	-	213
		107,607	22,823	130,430	-	130,430	-	130,430	[•]	[•]
TOTAL LIABILITIES		311,520	131,479	442,999	[•]	[•]	-	[•]	[•]	[•]
TOTAL EQUITY AND LIABILITIES		503,857	126,456	630,313	-	[•]	-	[•]	[•]	[•]
Number of ordinary shares in issue ('000)		501,040		501,040		591,040		800,000		800,000
Net assets attributable to owners of the Company (RM'000)		187,972		182,949		[•]		[•]		[•]
Net assets per share (RM)		0.38		0.37		[•]		[•]		[•]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)



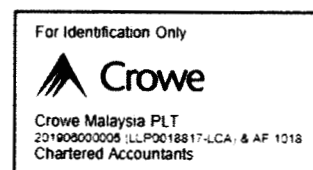
KEYFIELD INTERNATIONAL BERHAD NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

1. Abbreviation

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:-

Bursa Securities	: Bursa Malaysia Securities Berhad
IPO	: Initial public offering comprising the Public Issue
IPO Price	: RM[●] per IPO Share, being the indicative price payable by investors under the Public Issue
IPO Shares	: The Issue Shares
Issue Shares	: 208,960,000 new Keyfield Shares, representing approximately 26.1% of the enlarged share capital of Keyfield upon our Listing, which are to be issued pursuant to Public Issue
Keyfield or the Company	: Keyfield International Berhad
Keyfield Offshore	: Keyfield Offshore Sdn. Bhd., existing subsidiary of Keyfield
Keyfield Share(s)	: Ordinary share(s) in Keyfield
Keyfield CRNCPS	: Cumulative redeemable non-convertible preference shares in Keyfield
Lavin	: Lavin Group Sdn. Bhd., a substantial shareholder of Keyfield
Listing	: Listing of and quotation for the entire enlarged issued share capital of Keyfield of RM[●] comprising 800,000,000 Keyfield Shares on the Main Market of Bursa Securities
NA	: Net assets
NL	: Net liabilities
MITI	: Ministry of International Trade and Industry of Malaysia
Pro Forma Consolidated SOFP	: Pro Forma Consolidated Statements of Financial Position
Public Issue	: Public issue of 208,960,000 new Keyfield Shares at the IPO Price
RM and sen	: Ringgit Malaysia and sen, respectively the lawful currency of Malaysia
The Group	: Keyfield International Berhad and its subsidiaries

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)



**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

2. Introduction

The Pro Forma Consolidated SOFP as at 31 December 2022 together with the related notes, for which the Board of Directors are solely responsible, have been prepared for illustrative purposes only for inclusion in the Prospectus in connection with the IPO of Keyfield Shares and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Securities.

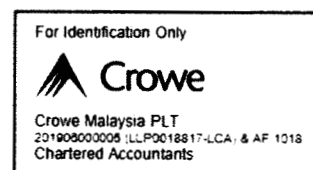
The Pro Forma Consolidated SOFP together with the notes have been prepared based on the assumption that the transactions as set out in Section 5 to the Pro Forma Consolidated SOFP were effected on 31 December 2022.

3. Basis of Preparation

The Pro Forma Consolidated SOFP as at 31 December 2022 have been prepared based on Audited Financial Statements of Keyfield for the FYE 31 December 2022 which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs"), and in a manner consistent with the format of the Audited Financial Statements and accounting policies of the Group.

The Audited Financial Statements of Keyfield for the FYE 31 December 2022 were not subject to any audit qualification, modification or disclaimer. All amounts are presented in RM.

The Pro Forma Consolidated SOFP as at 31 December 2022 have been prepared for illustrative purposes only to show the effects of the transactions as set out in Section 4 of the Pro Forma Consolidated SOFP as at 31 December 2022 had the transactions been effected on 31 December 2022, and should be read in conjunction with the notes in this Section. Such information, because its hypothetical nature, does not give a true picture of the actual effects of the transactions or event on the financial information presented had the transaction or event occurred on 31 December 2022. Further, such information does not purport to predict the Group's future financial position.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

4. Listing Scheme

Keyfield seeks a listing on the Main Market of Bursa Securities. The details of the listing schemes and subsequent events which are integral to the Listing are as follows:-

4.1 Subsequent Events**4.1.1 Acquisition of Keyfield Lestari (formerly known as Permata Arau 1) by Keyfield Offshore**

On 17 March 2023, the Sheriff of the High Court of Malaya executed a Bill of Sale to transfer the ownership of a vessel known as Keyfield Lestari (formerly known as Permata Arau 1) to Keyfield Offshore, for a total purchase consideration of RM24,380,000.

The acquisition of Keyfield Lestari is not illustrated in the Pro Forma Consolidated SOFP as the purchase consideration has been fully paid using internally generated fund.

4.1.2 Acquisition of Blooming Wisdom by Keyfield Offshore

On 7 April 2023, Keyfield Offshore entered into a Memorandum of Agreement with Azulite Bloom Sdn. Bhd. ("Azulite Bloom") to purchase a vessel, namely Blooming Wisdom for a total purchase consideration of RM94,886,400 payable over 48 monthly instalments of RM1,976,800 each. The Memorandum of Agreement was completed on even date.

The purchase consideration consists of:-

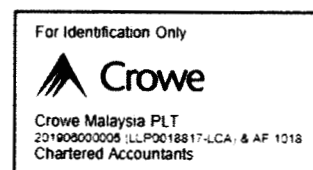
- (a) the cash purchase price of Blooming Wisdom of RM85,000,000; and
- (b) the amount of up to RM9,886,400 chargeable by Azulite Bloom in consideration of them agreeing to Keyfield Offshore's request to pay by instalments, represent financing element.

Keyfield Offshore shall have the option to fully settle the balance purchase consideration earlier, at any time during the 48-month instalment period. Should Keyfield Offshore decides to exercise this option, Azulite Bloom shall grant Keyfield Offshore a rebate on the remaining financing element.

4.1.3 Acquisition of Keyfield Helms 1 by Keyfield Offshore

On 7 April 2023, Keyfield Offshore entered into a Memorandum of Agreement with Sea Steel Sdn. Bhd. ("Sea Steel") to purchase a vessel, namely Keyfield Helms 1 for a total purchase consideration of RM50,538,620 payable over 29 monthly instalments of RM517,954 each and a final instalment of RM35,517,954. The Memorandum of Agreement was completed on even date.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

4. Listing Scheme (Cont'd)

4.1 Subsequent Events (Cont'd)

4.1.3 Acquisition of Keyfield Helms 1 by Keyfield Offshore (Cont'd)

The purchase consideration consists of:-

- (a) the cash purchase price of Keyfield Helms 1 of RM45,000,000; and
- (b) the amount of up to RM5,538,620 chargeable by Sea Steel in consideration of them agreeing to Keyfield Offshore's request to pay by instalments, represent financing element.

Keyfield Offshore shall have the option to fully settle the balance purchase consideration earlier, at any time during the 30-months instalment period. Should Keyfield Offshore decides to exercise this option, Sea Steel shall grant Keyfield Offshore a rebate on the remaining financing element.

As a result of the acquisition, the long-term Bareboat Charter Agreement for Keyfield Helms 1 between Sea Steel and Keyfield Resolute was terminated on the even date. Accordingly, the associated lease liability has been derecognised and Keyfield Helms 1 which was initially recognised as a right-of-use asset of the Group has been reclassified into "property, plant and equipment" category.

4.1.4 Declaration of Dividend

On 8 May 2023, the Company had declared and paid a dividend of RM0.01 per ordinary share amounted to RM5,010,400 in respect of the financial year ended 31 December 2022.

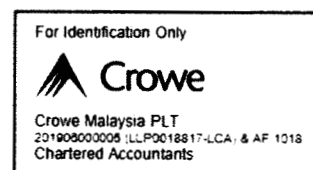
4.1.5 Long-term Bareboat Charter Agreement for Daya Ceria

On 17 May 2023, Keyfield Offshore entered into a Bareboat Charter Agreement with Sea Steel for a bareboat charter of a vessel, namely Daya Ceria for a period of 1 year, with an option to extend for another 1 year, at Keyfield Offshore's option.

The charter period shall commence at date mutually agreed between both parties, no later than 60 days after 14 June 2023, which was the vessel's arrival date in Malaysia.

In view of the tenure of this Bareboat Charter Agreement, the charter of Daya Ceria is accounted for as a right-of-use asset in accordance with MFRS 16 Leases.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

4. Listing Scheme (Cont'd)

4.2 Issuance of Keyfield Shares and Redemption of Keyfield CRNCPS

- (a) A total of 90,000,000 Issue Shares, representing approximately 11.3% of the enlarged number of Keyfield Shares shall be issued to Lavin and Stratos Private Equity Limited at the IPO Price of RM[●] per Public Issue Share in the following manner:-

- (i) 80,000,000 Issue Shares shall be issued to Lavin for a cash consideration of RM[●]; and
- (ii) 10,000,000 Issue Shares shall be issued to Stratos Private Equity for a total cash consideration of RM[●].

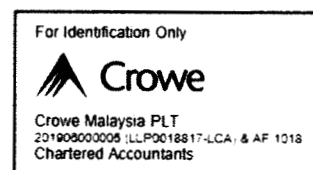
The issuance of 90,000,000 Keyfield Shares shall be issued and allotted concurrent with the Public Issue as set out in Section 4.3.1.

- (b) A total of 90,000,000 Keyfield CRNCPS shall be redeemed to Lavin and Stratos Private Equity Limited at the IPO Price of RM[●] per Public Issue Share in the following manner:-

- (i) redemption of 288,000,000 Keyfield CRNCPS held by Lavin for a total redemption consideration of RM[●]; and
- (ii) redemption of 36,000,000 Keyfield CRNCPS held by Stratos Private Equity Limited for a total redemption consideration of RM[●].

Upon completion of issuance of Keyfield Shares and redemption of Keyfield CRNCPS, the share capital of Keyfield will increase from RM125,260,001 comprising 501,040,000 Keyfield Shares to RM[●] comprising 591,040,000 Keyfield Shares.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

4. Listing Schemes (Cont'd)

4.3 IPO

4.3.1 Public Issue

Public Issue of 208,960,000 new Keyfield Shares, representing approximately 26.1% of the enlarged number of Keyfield Shares, at the IPO Price of RM[●] per Public Issue Share, to be allocated in the following manners:-

(a) Malaysian Public

40,000,000 Issue Shares, representing 5.0% of the enlarged number of Keyfield Shares, will be made available for application by the Malaysian Public, to be allocated via balloting process in the following manners:-

- (i) 20,000,000 Issue Shares made available to public investors; and
- (ii) 20,000,000 Issue Shares made available to Bumiputera public investors.

(b) Eligible Directors and employees as well as persons who have contributed to the success of the Group

24,000,000 Issue Shares, representing 3.0% of the enlarged number of Keyfield Shares, will be reserved for eligible directors and employees as well as persons who have contributed to the success of the Group.

(c) Private placement to selected Bumiputera investors approved by MITI

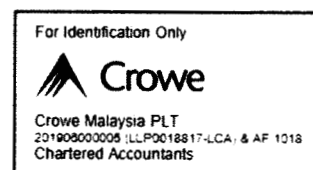
73,194,900 Issue Shares, representing approximately 9.1% of the enlarged number of Keyfield Shares, have been reserved for private placement to selected Bumiputera investors approved by MITI.

(d) Private placement to selected investors

71,765,100 Issue Shares, representing approximately 9.0% of the enlarged number of Keyfield Shares, have been reserved for private placement to selected investors.

Upon completion of the Public Issue, the share capital of Keyfield will increase from RM[●] comprising 591,040,000 Keyfield Shares to RM[●] comprising 800,000,000 Keyfield Shares.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



KEYFIELD INTERNATIONAL BERHAD NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

4. Listing Schemes (Cont'd)

4.3 IPO (Cont'd)

4.3.2 Listing on Bursa Securities

The admission of Keyfield to the official list of Bursa Securities, and the entire enlarged issued share capital of Keyfield of RM[●], comprising 800,000,000 Keyfield Shares shall be listed and quoted on the Main Market of Bursa Securities upon completion of the IPO.

4.4 Issuance of ESOS

In conjunction with the Listing, Keyfield will establish an ESOS which involves the granting of ESOS Options to its eligible directors and employees of the Group.

Keyfield intends to offer up to 28,000,000 ESOS Options to its eligible directors and employees of the Group representing approximately 3.5% of the enlarged issued share capital of Keyfield upon Listing.

The total number of Keyfield Shares which will be made available under the ESOS with a tenure of 5 years shall not exceed 120,000,000 ESOS options representing 15% of the total number of issued Keyfield Shares (excluding treasury shares) at any one time during the existence of the ESOS.

The ESOS is not illustrated in the Pro Forma Consolidated SOFP as the ESOS Options have yet to be granted as of the date of this report.

5. Pro Forma Adjustments to the Pro Forma SOFP

The Pro Forma Consolidated SOFP as at 31 December 2022 have been prepared solely for illustrative purposes only to show the effects of the following transactions based on the assumptions that they have been effected on 31 December 2022:-

5.1 Pro Forma I

Pro Forma I incorporates the effects of the subsequent events as set out in Section 4.1.1 to Section 4.1.5 above.

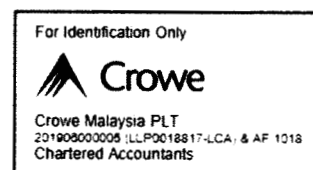
5.2 Pro Forma II

Pro Forma II incorporates the effects of the Pro Forma I, and issuance of Keyfield Shares and redemption of Keyfield CRNCPS as set out in Section 4.2 above.

5.3 Pro Forma III

Pro Forma III incorporates the effects of the Pro Forma II and the Public Issue as set out in Section 4.3.1 above.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)



KEYFIELD INTERNATIONAL BERHAD NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

5. Pro Forma Adjustments to the Pro Forma Consolidated SOFP (Cont'd)

5.4 Pro Forma IV

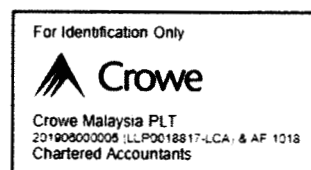
Pro Forma IV incorporates the effects of the Pro Forma III and the full utilisation of proceeds from the Public Issue, in accordance with Paragraph 9.18(a)(ii) of the Prospectus Guidelines issued by the Securities Commission Malaysia.

The proceeds from the Public Issue will be utilised as follows:-

	Amount RM'000	%	Estimated time frame for utilisation from the Listing date
Redemption of Keyfield CRNCPS	[●]	[●]	Within 1 month
Repayment of term loan from Alliance Bank Malaysia Berhad	[●]	[●]	Within 3 months
Settlement of balance purchase consideration for Blooming Wisdom	[●]	[●]	Within 1 month
Settlement of balance purchase consideration for Keyfield Helms 1	[●]	[●]	Within 1 month
General working capital ^	[●]	[●]	Within 12 months
Estimated listing expenses *	[●]	[●]	Within 1 month
Total	[●]	[●]	

^ - This proceeds for general working capital purpose is not adjusted in the Pro Forma III to the Pro Forma Consolidated SOFP and is remained in the cash and bank balances.

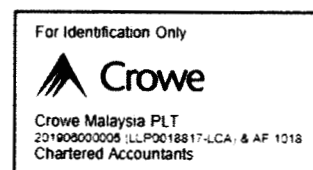
* - The estimated listing expenses totaling RM[●] to be borne by Keyfield comprise brokerage, underwriting and placement fees, professional fees and miscellaneous expenses. A total of approximately RM[●] is assumed to be directly attributable to the IPO and as such will be set off against the share capital in equity and the remaining expenses of approximately RM[●] are assumed to be attributable to the Listing and as such, will be expensed off to the Statement of Profit or Loss and Other Comprehensive Income.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**
6. Effects on the Pro Forma Consolidated Statements of SOFP
6.1 Property, Plant and Equipment

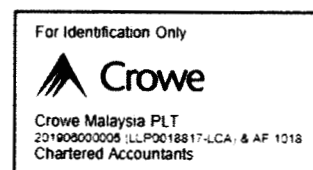
	Note	RM'000
As at 31 December 2022		368,567
Acquisition:		
- Blooming Wisdom	4.1.2	85,000
- Keyfield Helms 1	4.1.3	45,000
		130,000
As per Pro Forma I, II, III and IV		498,567

6.2 Right-of-use Assets

	Note	RM'000
As at 31 December 2022		19,068
Derecognition of Keyfield Helms 1 as a right-of-use asset due to termination of the long-term Bareboat Charter Agreement, pursuant to acquisition of this vessel	4.1.3	(10,228)
Recognition of Daya Ceria as a right-of-use asset	4.1.5	11,694
As per Pro Forma I, II, III and IV		20,534

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**
6. Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)
6.3 Cash and Bank Balances

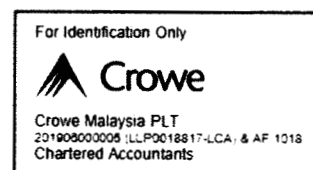
	Note	RM'000
As at 31 December 2022		17,024
Payment of dividend	4.1.4	(5,010)
As per Pro Forma I		12,014
Proceeds from issuance of Keyfield Shares:		
- Lavin	4.2(a)(i)	[●]
- Stratos Private Equity Limited	4.2(a)(ii)	[●]
		[●]
Redemption of Keyfield CRNCPS:		
- Lavin	4.2(b)(i)	[●]
- Stratos Private Equity Limited	4.2(b)(ii)	[●]
		[●]
As per Pro Forma II		[●]
Proceeds from Public Issue	4.3.1	[●]
As per Pro Forma III		[●]
Utilisation of proceeds from Public Issue:		
- redemption of Keyfield CRNCPS	5.4	[●]
- repayment of term loan from Alliance Bank Malaysia Berhad	5.4	[●]
- settlement of balance purchase consideration for Blooming Wisdom	5.4	[●]
- settlement of balance purchase consideration for Keyfield Helms 1	5.4	[●]
- payment of estimated listing expenses	5.4	[●]
		[●]
As per Pro Forma IV		[●]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**
6. Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)
6.4 Share Capital

	Note	RM'000
As at 31 December 2022		125,260
Issuance of Keyfield Shares:		
- Lavin	4.2(a)(i)	[●]
- Stratos Private Equity Limited	4.2(a)(ii)	[●]
		[●]
As per Pro Forma II		[●]
Public Issue	4.3.1	[●]
As per Pro Forma III		[●]
Item set off against the share capital in equity:		
- estimated listing expenses	5.4	[●]
As per Pro Forma IV		[●]

6.5 Retained Profits

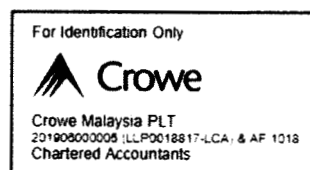
	Note	RM'000
As at 31 December 2022		62,712
Loss arising from termination of the long-term Bareboat Charter Agreement	4.1.3	(13)
Declaration of dividend	4.1.4	(5,010)
As per Pro Forma I, II and III		57,689
Item expensed off to the statement of profit or loss and other comprehensive income:		
- estimated listing expenses	5.4	[●]
Accretion of interest on CRNCPS		[●]
As per Pro Forma IV		[●]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

6. Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)**6.6 CRNCPS**

	Note	Current RM'000	Non- current RM'000	Total RM'000
As at 31 December 2022 and as per Pro Forma I		3,563	136,778	140,341
Redemption:				
- Lavin	4.2(b)(i)	-	[●]	[●]
- Stratos Private Equity Limited	4.2(b)(ii)	-	[●]	[●]
		-	[●]	[●]
As per Pro Forma II and III		3,563	[●]	[●]
Utilisation of proceeds from Public Issue for redemption:				
- Lavin	5.4	-	[●]	[●]
- Stratos Private Equity Limited	5.4	-	[●]	[●]
		-	[●]	[●]
Accretion of interest on CRNCPS		-	[●]	[●]
As per Pro Forma IV		3,563	[●]	[●]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

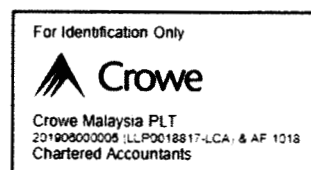
KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

6. Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)**6.7 Lease Liabilities**

	Note	Current RM'000	Non- current RM'000	Total RM'000
As at 31 December 2022		10,897	8,040	18,937
Derecognition of Keyfield Helms 1 as lease liability due to termination of its long-term Bareboat Charter Agreement, pursuant to acquisition of this vessel	4.1.3	(6,209)	(4,006)	(10,215)
Recognition of Daya Ceria as lease liability	4.1.5	5,683	6,011	11,694
As per Pro Forma I, II, III and IV		<u>10,371</u>	<u>10,045</u>	<u>20,416</u>

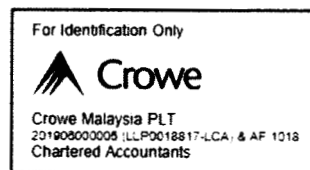
6.8 Other Payables and Accruals

	Note	Current RM'000	Non- current RM'000	Total RM'000
As at 31 December 2022		7,338	2,000	9,338
Acquisition of Blooming Wisdom	4.1.2	19,515	65,485	85,000
Acquisition of Keyfield Helms 1	4.1.3	3,834	41,166	45,000
As per Pro Forma I, II and III		<u>30,687</u>	<u>108,651</u>	<u>139,338</u>
Utilisation of proceeds from Public Issue for settlement of balance purchase consideration for:				
- Blooming Wisdom	5.4	<input type="text"/>	<input type="text"/>	<input type="text"/>
- Keyfield Helms 1	5.4	<input type="text"/>	<input type="text"/>	<input type="text"/>
		<u><input type="text"/></u>	<u><input type="text"/></u>	<u><input type="text"/></u>
As per Pro Forma IV		<u><input type="text"/></u>	<u><input type="text"/></u>	<u><input type="text"/></u>

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Cont'd)

**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**
6. Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)
6.9 Borrowings

	Note	Current RM'000	Non- current RM'000	Total RM'000
As at 31 December 2022 and as per Pro Forma I, II and III		51,877	27,461	79,338
Utilisation of proceeds for repayment of term loan from Alliance Bank Malaysia Berhad	5.4	[●]	-	[●]
As per Pro Forma IV		[●]	27,461	[●]

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)



**KEYFIELD INTERNATIONAL BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated **30 JUN 2023**

On behalf of the Board of Directors,

Dato' Kee Chit Huei

Mohd Erwan Bin Ahmad