CAHYA MATA SARAWAK BERHAD

Registration No. 197401003655 (21076-T)

(Incorporated in Malaysia)

Interim Financial Report

Condensed Consolidated Statements of Comprehensive Income for the financial year ended 31 December 2025

	Note	3 months ended 31.12.2025 RM'000	3 months ended 31.12.2024 RM'000	Changes (%)	12 months ended 31.12.2025 RM'000	12 months ended 31.12.2024 RM'000	Changes (%)
Revenue	A8	311,001	340,988	(9%)	1,109,418	1,196,254	(7%)
Cost of sales		(222,553)	(236,861)		(799,929)	(863,218)	
Gross profit		88,448	104,127	(15%)	309,489	333,036	(7%)
Other income		10,702	17,943		32,616	38,109	
Administrative expenses		(50,200)	(48,194)		(158,640)	(141,047)	
Selling expenses		(8,027)	(9,651)		(30,922)	(34,506)	
Other expenses		(27,494)	(37,191)		(72,162)	(64,780)	
Operating profit		13,429	27,034	(50%)	80,381	130,812	(39%)
Share of results of associates		11,846	22,072		46,696	68,217	
Share of results of joint ventures		13,021	11,604		24,642	21,386	
Interest income		3,582	2,575		11,086	6,477	
Profit before financing and taxation		41,878	63,285	(34%)	162,805	226,892	(28%)
Finance costs		(3,176)	(5,766)		(17,742)	(27,882)	
Foreign exchange gain/(loss) on financing activities		951	48,411		(36,262)	(8,910)	
Profit before tax		39,653	105,930	(63%)	108,801	190,100	(43%)
Income tax expense	B5	(25,317)	(27,536)		(69,085)	(65,177)	
Profit for the period		14,336	78,394	(82%)	39,716	124,923	(68%)
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods (net of tax):							
Share of other comprehensive (loss)/income of associates		(4,730)	1,984		(3,497)	243	
Exchange differences on translation		(3,280)	11,782		(9,428)	(23,172)	
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods (net of tax):							
Net (loss)/gain on equity instrument designated as fair value through other comprehensive income		(12,404)	(2,584)		(24,806)	3,618	
Other comprehensive (loss)/income for the period		(20,414)	11,182		(37,731)	(19,311)	
Total comprehensive income/(loss) for the period		(6,078)	89,576	(107%)	1,985	105,612	(98%)
Profit/(loss) attributable to:							
Owners of the Company		19,558	65,799	(70%)	65,688	128,192	(49%)
Non-controlling interests		(5,222)	12,595		(25,972)	(3,269)	
		14,336	78,394		39,716	124,923	
Total comprehensive income/(loss) attributable to:							
Owners of the Company		823	72,937		31,117	116,190	
Non-controlling interests		(6,901)	16,639		(29,132)	(10,578)	
		(6,078)	89,576		1,985	105,612	
		sen	sen		sen	sen	
Earnings per share attributable to owners of the Company:							
Basic	B13	1.82	6.12		6.11	11.93	
Diluted		1.82	6.10		6.09	11.88	

The condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial report.

Cahya Mata Sarawak Berhad

Registration No. 197401003655 (21076-T)

Condensed consolidated statement of financial position as at 31 December 2025

	Note	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,490,644	1,402,178
Land held for property development		299,265	299,251
Investment properties		44,835	45,854
Intangible assets		759	947
Goodwill		61,709	61,709
Investments in associates		883,811	873,363
Investments in joint ventures		345,986	351,204
Deferred tax assets		23,421	23,512
Trade and other receivables		4,373	4,399
Investment securities		102,153	126,352
		3,256,956	3,188,769
Current assets			
Property development costs		3,250	4,025
Inventories		322,069	380,001
Trade and other receivables		236,988	285,924
Other current assets		62,244	30,519
Tax recoverable		8,375	12,058
Cash and bank balances		750,836	647,456
		1,383,762	1,359,983
Assets classified as held for sale		1,107	-
		1,384,869	1,359,983
TOTAL ASSETS		**4,641,825**	**4,548,752**
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		869,071	868,669
Treasury shares		(352)	(352)
Other reserves		(48,210)	(7,962)
Retained earnings		2,579,035	2,540,035
		3,399,544	3,400,390
Non-controlling interests		200,449	236,242
Total equity		3,599,993	3,636,632
Non-current liabilites			
Deferred tax liabilities		66,586	67,563
Loans and borrowings	**B7**	84,369	95,368
Lease liabilities		56,713	33,176
Trade and other payables		1,710	2,702
		209,378	198,809
Current liabilities			
Income tax payable		18,721	18,472
Loans and borrowings	**B7**	143,335	117,426
Lease liabilities		25,751	12,359
Trade and other payables		644,558	565,054
Other current liabilities		89	-
		832,454	713,311
Total liabilities		1,041,832	912,120
TOTAL EQUITY AND LIABILITIES		**4,641,825**	**4,548,752**
Net assets per share attributable to owners of the Company (RM)		**3.16**	**3.16**

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial report.

Cahya Mata Sarawak Berhad

Registration No. 197401003655 (21076-T)

Condensed consolidated statement of changes in equity for the period ended 31 December 2025

	Total equity	Total	Share capital	Treasury shares	Other reserves	Retained earnings	Non-controlling interests
		------------------------ Attributable to Owners of the Company ------------------------					
			< ---------------- Non-distributable ---------------- >			Distributable	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	3,636,632	3,400,390	868,669	(352)	(7,962)	2,540,035	236,242
Profit/(loss) net of tax	39,716	65,688	-	-	-	65,688	(25,972)
Other comprehensive loss, net of tax	(37,731)	(34,571)	-	-	(34,610)	39	(3,160)
Total comprehensive income/(loss)	1,985	31,117	-	-	(34,610)	65,727	(29,132)
Transactions with owners:-							
Share based payments under ESOS	276	276	402	-	(5,833)	5,707	-
Dividends paid to owners of the Company	(32,239)	(32,239)	-	-	-	(32,239)	-
Dividends paid to non-controlling interests	(6,661)	-	-	-	-	-	(6,661)
Total transactions with owners	(38,624)	(31,963)	402	-	(5,833)	(26,532)	(6,661)
Share of associates' movement in reserves	-	-	-	-	195	(195)	-
At 31 December 2025	3,599,993	3,399,544	869,071	(352)	(48,210)	2,579,035	200,449

Cahya Mata Sarawak Berhad

(Company No: 21076-T)

Condensed consolidated statement of changes in equity for the year ended 31 December 2024

		Attributable to Owners of the Company					
			< Non-distributable		>	Distributable	
	Total equity	Total	Share capital	Treasury shares	Other reserves	Retained earnings	Non-controlling interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	3,547,715	3,300,862	867,902	(352)	1,267	2,432,045	246,853
Profit/(loss) net of tax	124,923	128,192	-	-	-	128,192	(3,269)
Other comprehensive loss, net of tax	(19,311)	(12,002)	-	-	(12,386)	384	(7,309)
Total comprehensive income/(loss)	105,612	116,190	-	-	(12,386)	128,576	(10,578)
Transactions with owners:-							
Share based payments	4,822	4,822	767	-	3,029	1,026	-
Dividends paid to owners of the Company	(21,484)	(21,484)	-	-	-	(21,484)	-
Dividends paid to non-controlling interests	(33)	-	-	-	-	-	(33)
Total transactions with owners	(16,695)	(16,662)	767	-	3,029	(20,458)	(33)
Share of associates' movement in reserves	-	-	-	-	128	(128)	-
At 31 December 2024	3,636,632	3,400,390	868,669	(352)	(7,962)	2,540,035	236,242

Cahya Mata Sarawak Berhad

Registration No. 197401003655 (21076-T)

Condensed consolidated statement of cash flows for the period ended 31 December 2025

	12 months ended 31.12.2025 RM'000	12 months ended 31.12.2024 RM'000
Profit before taxation	108,801	190,100
Adjustments for non-cash and other items:		
Non-cash and other items	62,191	53,802
Operating cash flows before changes in working capital	170,992	243,902
Changes in working capital		
Decrease/(increase) in current assets	26,276	(21,875)
(Increase)/decrease in non-current assets	(7)	4,995
Increase/(decrease) in current liabilities	101,125	(79,898)
Decrease in non-current liabilities	(992)	(5,491)
Cash flows generated from/(used in) operations	297,394	141,633
Interest received	21,747	16,625
Interest paid	(16,463)	(25,215)
Income tax paid, net of refund	(66,175)	(78,167)
Net cash flows generated from operating activities	236,503	54,876
Investing activities		
Acquisition of property, plant and equipment	(156,403)	(32,695)
Acquisition of intangible assets	(21)	(2,583)
Additional investments in investment securities	(701)	(3,538)
Additional investment in an associate	-	(27,667)
Additional investment in a joint venture	(455)	-
Dividends received from investment securities	3,876	8,964
Dividends received from joint ventures	30,315	13,486
Dividends received from associates	31,645	35,039
Proceeds from disposal of property, plant and equipment	1,154	563
Proceeds from disposal of investment securities	-	155,729
Net movement in restricted deposits and deposits with maturity more than 3 months	(36,050)	(9,370)
Net cash (used in)/generated from investing activities	(126,640)	137,928
Financing activities		
Deposit pledged to a licensed bank	-	(2,411)
Drawdown of borrowings	157,189	-
Repayments of borrowings	(133,250)	(104,011)
Repayment of lease liabilities	(26,106)	(29,335)
Proceeds from lease receivables	80	2,744
Dividends paid to owners of the Company	(32,239)	(21,484)
Dividends paid to non-controlling interests	(6,661)	(33)
Proceeds from exercise of employee share options	276	539
Net cash used in financing activities	(40,711)	(153,991)
Net decrease in cash and cash equivalents	69,152	38,813
Effect of foreign exchange changes in cash and cash equivalents	(230)	(20,850)
Cash and cash equivalents as at 1 January	623,628	605,665
Cash and cash equivalents as at 31 December	692,550	623,628
Cash and cash equivalents as at 31 December comprised the following:		
Cash and short term deposits	750,836	647,456
Less: Deposits pledged to licensed banks	(54,059)	(2,837)
Less: Deposits with maturity of more than three months	(4,227)	(20,991)
	692,550	623,628

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial report.

Part A – Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

These condensed consolidated interim financial statements, for the year ended 31 December 2025 are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements do not include all of the information required for a set of complete annual financial statements and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2024. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

A2. Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2025, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2025.

- Amendments to MFRS 121: Lack of Exchangeability

This pronouncement does not have any material impact on the financial performance or position of the Group for the current financial year.

A3. Seasonal or cyclical factors

The business operations of the Group are generally non-cyclical or seasonal.

A4. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the year ended 31 December 2025.

A5. Changes in estimates

There were no significant changes in estimates except for the followings:

(a) Revision to the estimated useful lives of certain machineries in line with the Group's expansion plan. While the impact on the current financial year is not material, this change in estimate is expected to result in a higher depreciation charge in the following financial years.

(b) Following reassessment of a subsidiary's business model and underlying economic environment, the functional currency changed from United States Dollar ("USD") to MYR. This will minimise the currency translation impact of the subsidiary.

A6. Debt and equity securities

During the current year ended 31 December 2025, there was no repurchase and resell of treasury shares. As at 31 December 2025, the Company held 200,000 treasury shares in its books.

The number of issued and fully paid ordinary share capital as a result of the exercise of Employees' Share Option Scheme ("ESOS") for the current year is as follows:

	31.12.2025 Number of shares ('000)	31.12.2024 Number of shares ('000)
At start of financial year	1,074,849	1,074,376
Issued during the financial year		
- Exercise of ESOS	252	473
At end of the financial year	1,075,101	1,074,849

A7. Dividends paid

The first and final tax exempt (single-tier) dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2024 amounting to RM32,239,471 was paid on 26 June 2025.

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A8. Segmental information

	3 months ended		12 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Segment revenue:				
Cement	194,605	174,828	665,061	646,770
Road maintenance	28,616	50,368	152,474	142,533
Property development	46,787	42,250	109,537	73,139
Oiltools	28,437	58,096	139,262	277,364
Construction materials and trading	18,584	17,219	66,605	64,273
Strategic investments	451	1,807	451	1,810
Support services	21,312	17,599	81,051	69,371
Total revenue including inter-segment sales	338,792	362,167	1,214,441	1,275,260
Elimination of inter-segment sales	(27,791)	(21,179)	(105,023)	(79,006)
Total revenue	311,001	340,988	1,109,418	1,196,254

	3 months ended		12 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss):				
Cement	45,096	40,921	160,568	149,440
Road maintenance	5,834	23,913	22,916	34,941
Property development	3,446	18,537	5,946	21,576
Phosphates	(35,020)	28,600	(145,915)	(96,795)
Oiltools	917	(7,173)	9,595	30,357
Construction materials and trading	(764)	364	(456)	86
Strategic investments	1,025	6,988	4,408	14,452
Support services	1,467	(17,078)	501	(19,732)
	22,001	95,072	57,563	134,325
Corporate expenses	(7,215)	(22,818)	(20,100)	(33,828)
Share of results of associates	11,846	22,072	46,696	68,217
Share of results of joint ventures	13,021	11,604	24,642	21,386
Profit before tax	39,653	105,930	108,801	190,100
Income tax expenses	(25,317)	(27,536)	(69,085)	(65,177)
Profit for the period	14,336	78,394	39,716	124,923

A9. Changes in composition of the Group

There have been no changes in the composition of the Group for the year ended 31 December 2025.

A10. Fair value of instruments

(a) Determination of fair value

Set out below is a comparison of the carrying amounts and fair values of the Group's financial instruments, by class, which are not carried at fair value in the financial statements. It does not include those short term/on demand financial assets and financial liabilities where the carrying amounts are reasonable approximation of their fair values:

	31 December 2025		31 December 2024	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Financial liabilities:				
Interest-bearing loans and borrowings				
- Term loans	169,167	169,167	204,182	204,182
	169,167	169,167	204,182	204,182

(b) Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the instrument, whether directly (i.e. prices) or indirectly (i.e. derived from prices); and

Level 3 - Inputs used are not based on observable market data and the unobservable inputs may have a significant impact on the valuation of the financial instruments and non-financial assets.

A10. Fair value of instruments (contd.)

(b) Fair value hierarchy (contd.)

As at the reporting date, the Group held the following financial assets and liabilities that were measured at fair value by level of fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2025				
Financial assets				
Investment securities				
- Equity instrument	54,781	-	-	54,781
- Redeemable preference shares	-	-	47,372	47,372
	54,781	-	47,372	102,153
31 December 2024				
Financial assets				
Investment securities				
- Equity instrument	79,587	-	-	79,587
- Redeemable preference shares	-	-	46,765	46,765
	79,587	-	46,765	126,352

There have been no transfers between any levels during the current year and the comparative year.

A11. Capital & other commitments

The amount of commitments not provided for in the financial statements as at 31 December 2025 and 31 December 2024 was as follows:

	31.12.2025 RM'000	31.12.2024 RM'000
Approved and contracted for:		
- Property, plant and equipment	648,746	19,116
- Investments in redeemable preference shares	4,170	5,326
	652,916	24,442
Approved but not contracted for:		
- Property, plant and equipment	534,879	505,430
- Intangible assets	954	675
	535,833	506,105
Share of capital commitment of joint ventures	15,994	7,922
	1,204,743	538,469

A12. Changes in contingent liabilities and contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last annual reporting date.

A13. Related party transactions

The following table provides information on the transactions which have been entered into with related parties during the year ended 31 December 2025 and 31 December 2024 as well as the balances with the related parties as at 31 December 2025 and 31 December 2024:

		Interest/ fee/ rental income from/ sales to related parties RM'000	Interest/ purchases from/ payment for services to related parties RM'000	Amounts owed by related parties RM'000	Amounts owed to related parties RM'000
Associates:					
- SACOFA Sdn Bhd	2025	2,011	320	6,912	-
	2024	2,201	246	5,327	-
Joint Ventures:					
- SEDC Resources Group	2025	5,633	33,805	2,479	280,096
	2024	3,658	37,285	1,037	213,131
- PPES Works Group	2025	147,258	1,750	40,078	53,752
	2024	131,133	2,340	70,654	59,600
- Directors' interests	2025	-	7,902	-	641
	2024	-	5,070	-	628

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Part B – Explanatory notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance

<u>Year 2025 (“YE2025”) vs Year 2024 (“YE2024”)</u>

The Group reported a revenue of RM1,109.4 million for the year ended 31 December 2025 ("YE2025"), a reduction of 7% in comparison to the preceding year ("YE2024") revenue of RM1,196.3 million.

The Group’s profit before tax ("PBT") from operations was lower at RM108.8 million in comparison to YE2024's PBT of RM190.1 million. The lower PBT was attributable to Phosphates, Property Development, Oiltools, Road Maintenance and Strategic Investments Strategic Business Unit (“SBU”). In addition, profit contributions from associates decreased by 32% to RM46.7 million while profit contributions from joint ventures rose by 15% to RM24.6 million resulting in a net adverse impact on PBT.

The performances of the Group’s respective SBUs are analysed as follows:

(a) **Cement SBU –** recorded a higher revenue of RM665.1 million and PBT of RM160.6 million, 3% higher over YE2024’s revenue of RM646.8 million and 7% higher over YE2024’s PBT of RM149.4 million. Higher revenue was mainly due to the increased sales volume coupled with strategic price revision. On top of higher revenue, higher PBT is further supported by lower production cost.

(b) **Road Maintenance SBU -** reported a higher revenue of RM152.5 million but a lower PBT of RM22.9 million in YE2025, 7% higher over YE2024’s revenue of RM142.5 million and 34% lower over YE2024’s PBT of RM34.9 million. Higher revenue was mainly due to higher ongoing orders and work completions achieved by Instructed Works. However, profitability was higher in YE2024 due to reversal of cost provision.

(c) **Property Development SBU -** reported a higher revenue of RM109.5 million but a lower PBT of RM6.0 million in YE2025, 50% higher over YE2024’s revenue of RM73.1 million and 72% lower over YE2024’s PBT of RM21.6 million. The increase in revenue was primarily due to revenue recognition from construction contracts particularly from Borneo Convention Centre Kuching 2.0 project and Cahya Intan Phase 2. However, profitability was higher in YE2024 mainly due to a land sale transaction which carried a significantly higher margin.

(d) **Phosphates SBU -** Loss before tax (“LBT”) of RM145.9 million was recorded for YE2025, higher than YE2024 loss of RM96.8 million. This was mainly attributable to higher unrealised forex losses in YE2025 by RM26.9 million as compared to YE2024 due to the weakening of USD against MYR compared with preceding period. Furthermore, higher costs was incurred for the preparatory work for plant resumption following the restoration of the plant electricity supply.

(e) **Oiltools SBU** - reported a lower revenue of RM139.3 million and PBT of RM9.6 million in YE2025, 50% lower over YE2024’s revenue of RM277.4 million and 68% lower over YE2024’s PBT of RM30.4 million. The decrease in revenue and profitability was primarily due to reduced rig activities across most of the markets relative to last year.

B1. Review of performance (contd.)

Year 2025 ("YE2025") vs Year 2024 ("YE2024")

(f) **Construction Materials and Trading SBU -** reported a higher revenue of RM66.6 million, 4% higher over YE2024's revenue of RM64.3 million. The increase was mainly attributable to the increase in the business activities.

(g) **Strategic Investments SBU** - reported a lower PBT of RM4.4 million in YE2025 as compared to PBT of RM14.5 million in YE2024. The decrease was mainly attributable to the lower fair value gains from investments securities.

Quarter 4, 2025 ("4Q2025") vs Quarter 4, 2024 ("4Q2024")

	4th Qtr 2025 RM'000	4th Qtr 2024 RM'000	Changes %
Revenue	311,001	340,988	(9%)
Gross profit	88,448	104,127	(15%)
Share of results of associates	11,846	22,072	(46%)
Share of results of joint ventures	13,021	11,604	12%
Profit before tax	39,653	105,930	(63%)
Profit before tax excluding unrealised financing forex loss	38,702	57,519	(33%)
PATNCI	19,558	65,799	(70%)

The Group recorded a PBT of RM39.7 million in 4Q2025 as compared to PBT of RM105.9 million in 4Q2024. Excluding unrealised financing forex losses recorded in the corresponding quarter, the Group PBT is lower by RM18.8 million mainly due to commissioning cost for Phosphates plant and absence of land sale from Property SBU.

B2. Material changes in the profit before tax for the current quarter compared with the immediate preceding quarter (Quarter 4, 2025 vs Quarter 3, 2025)

	4th Qtr 2025 RM'000	3rd Qtr 2025 RM'000	Changes %
Revenue	311,001	305,365	2%
Gross profit	88,448	88,408	-
Share of results of associates	11,846	13,349	(11%)
Share of results of joint ventures	13,021	6,333	106%
Profit before tax	39,653	48,139	(18%)
PATNCI	19,558	32,117	(39%)

B2. Material changes in the profit before tax for the current quarter compared with the immediate preceding quarter (Quarter 4, 2025 vs Quarter 3, 2025) (contd.)

For the quarter under review, the Group's profit before tax declined by RM8.5 million particularly due to Phosphates commissioning cost following the restoration of electricity supply in September 2025.

B3. Prospects for the year ending 31 December 2026

The activities for the Development of Borneo Convention Centre Kuching 2 at a contract value of RM550 million has commenced in FY2025. The project progress is anticipated to accelerate in the coming year.

Meanwhile, the reconnection of electricity supply to Cahya Mata Phosphates Industries' plant enables the resumption of testing and commissioning activities in 4Q 2025. The commissioning activities are expected to last until the third quarter of 2026.

Construction of Mambong Clinker Line 2 of Cahya Mata Cement Sdn Bhd is progressing on schedule for completion in 2027.

B4. Profit forecast or profit guarantee

Not applicable as there was no profit forecast nor profit guarantee issued.

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B5. Income tax expense

	3 months ended		12 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Malaysian income tax	25,531	22,803	66,020	67,159
- Foreign tax	239	2,720	4,087	12,555
Deferred income tax (credit)/expense	(453)	2,013	(1,022)	(14,537)
Total income tax expense	25,317	27,536	69,085	65,177

The effective tax rate for the group for the year ended 31 December 2025 and 31 December 2024 was higher than the statutory tax rate principally due to the pre-commencement and unrecognised tax losses of certain subsidiaries which cannot be offset against taxable profits made by other subsidiaries.

B6. Corporate proposals

(a) Except as disclosed in item (b) below, there were no other corporate proposals that have been announced but not completed as at the date of this announcement.

(b) Status of Utilisation of Proceeds

Pursuant to the corporate proposal which was duly completed on 6 December 2022 following the full settlement of the disposal consideration by the OM Materials (S) Pte. Ltd, the gross proceeds raised from this disposal was USD120,000,000 ("Corporate Proposal").

The utilisation of the proceeds as at 31 December 2025 is set out below:

Purpose	**Proposed Utilisation (RM'000)**	**Actual Utilisation (RM'000)**	**Balance/ (Deviation) (RM'000)**	**Intended Timeframe for Utilisation from date of completion of the Corporate Proposal**	**Revised timeframe for utilisation of proceeds**
Future acquisition/ investments	119,707	56,303	63,404	Within 36 months (i)	Within 48 months
Capital expenditure	96,805	96,805	-	Fully utilised	Fully utilised
Working capital	243,269	243,269	-	Fully utilised	Fully utilised
Estimated expenses	19,768	19,768	-	Fully utilised	Fully utilised

Notes:
(i) The Board has decided to extend the utilisation for such purposes to 48 months from date of completion of the Corporate Proposal.

B7. Loans and borrowings

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Current		
Secured		
Term loan	84,307	108,353
Revolving credits	20,000	-
Unsecured		
Bankers' acceptance	19,489	-
Revolving credits	20,000	10,000
	143,796	118,353
Term loan transaction costs	(461)	(927)
	143,335	117,426
Non-current		
Secured		
Term loan	84,860	95,829
Term loan transaction costs	(491)	(461)
	84,369	95,368
Total	227,704	212,794

Loans and borrowings that are not denominated in Ringgit Malaysia amounted to RM65,272,000 (31 December 2024: RM163,682,000).

B8. Off balance sheet financial instruments

As at the date of this report, there are no financial instruments with off balance sheet risks entered into by the Group.

B9. Derivatives

There were no derivatives entered into by the Group as at the end of the year under review.

B10. Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities.

B11. Changes in material litigation

There were no changes in material litigation since the last annual statement of financial position date of 31 December 2024, except as disclosed in the following:

(a) Cahya Mata Intelligent Technologies Sdn Bhd ("Cahya Mata IT") vs Vienna Advantage GMBH ("VA")

On 10 January 2025, one of the subsidiary company, Cahya Mata IT filed a Notice of Arbitration to commence arbitration proceedings against VA at the Asian International Arbitration Centre ("AIAC"). VA has also served a Response to Notice of Arbitration and Counterclaim to Cahya Mata IT on 7 February 2025. AIAC has fixed 10 to 21 August 2026 as the hearing dates.

(b) Cahya Mata Phosphates Industries Sdn Bhd ("Cahya Mata Phosphates Industries") vs Syarikat SESCO Berhad ("SESCO")

Cahya Mata Phosphates Industries and SESCO are currently in legal dispute over SESCO's alleged interpretation of Power Purchase Agreements.

The arbitration hearing held on 13 to 16 May 2025 and 19 to 23 May 2025 has yet to be concluded. AIAC has fixed 2 to 6 March 2026 for continuation.

B12. Dividend payable

The Board of Directors has proposed to declare a first and final tax exempt (single-tier) dividend at the coming Annual General Meeting of 3.0 sen per ordinary share (2024: 3.0 sen). The dividend entitlement and payment date for the final dividend will be announced at a later date.

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B13. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding, which takes into account the weighted average effect of changes in treasury shares transactions during the period.

Diluted earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year after adjustment for the effects of dilutive potential ordinary shares.

The following reflects the profit and share data used in the computation of basic earnings per share:

	3 months ended		12 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Profit net of tax attributable to owners of the Company (RM'000)	19,558	65,799	65,688	128,192
Weighted average number of ordinary shares in issue ('000)	1,074,805	1,074,640	1,074,689	1,074,369
Effect of dilution from:				
Employees' Share Option Scheme (ESOS) ('000)	2,395	3,871	3,129	4,072
Weighted average number of ordinary shares adjusted for the effect of dilution ('000)	1,077,200	1,078,511	1,077,818	1,078,441
Earnings per share (sen):				
- Basic	1.82	6.12	6.11	11.93
- Diluted	1.82	6.10	6.09	11.89

B14. Auditor's report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2024 was not subject to any qualification.

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B15. Additional disclosure on profit for the period/year

	Quarter ended 31.12.2025 RM'000	Financial year ended 31.12.2025 RM'000
Profit for the period is arrived at after charging/(crediting):		
Amortisation of intangible assets	52	209
Depreciation of property, plant and equipment	22,442	80,502
Depreciation of investment properties	276	1,102
Gain on disposal of property, plant and equipment	(240)	(23)
Inventories written-down	7,865	15,669
Reversal on impairment loss on trade and other receivables	(38)	(1,244)
(Gain)/loss on foreign exchange - unrealised	(2,688)	37,748
Interest expense	4,786	25,122
Interest income	(4,980)	(21,747)
Net fair value changes in investment securities	119	94
Sales of test products	-	(14,195)

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