DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income
For the quarter and 9 months ended 30 September 2025 - unaudited

	Note	Current Quarter 3 months ended 30 September 2025 RM	2024 RM	Cumulative Quarter 9 months ended 30 September 2025 RM	2024 RM
Revenue		46,025,237	50,130,640	116,577,346	133,904,251
Interest income		212,861	405,413	825,947	1,101,836
Other income		1,545,363	1,626,762	4,196,469	11,125,614
Operating expenses		(33,157,381)	(37,254,241)	(81,506,906)	(96,427,972)
Changes in work-in-progress and finished goods		(146,600)	(368,973)	(92,832)	(180,302)
Employee benefit expenses		(3,084,254)	(3,099,486)	(11,299,355)	(10,767,943)
Administrative expenses		(2,765,564)	(2,862,368)	(8,459,355)	(8,683,992)
Profit from operating activities	A8	8,629,662	8,577,747	20,241,314	30,071,492
Interest expense		(271,096)	(318,831)	(830,275)	(1,165,846)
Net monetary gain		38,827	-	93,186	-
Profit before tax		8,397,393	8,258,916	19,504,225	28,905,646
Income tax expense		(1,832,224)	(2,053,277)	(4,444,385)	(5,289,882)
Profit for the period, net of tax		6,565,169	6,205,639	15,059,840	23,615,764
Other comprehensive income, net of tax					
Items that will be reclassified to profit or loss in the future:					
Foreign currency translation differences for foreign operations		(137,909)	(2,570,284)	(1,526,500)	(3,544,543)
Hyperinflationary adjustments		366,041	-	897,592	-
Other comprehensive income for the period, net of tax		228,132	(2,570,284)	(628,908)	(3,544,543)
Total comprehensive income for the period		6,793,301	3,635,355	14,430,932	20,071,221
Profit for the period attributable to:					
Owners of the Company		6,520,110	6,086,111	14,548,944	23,108,965
Non-controlling interests		45,059	119,528	510,896	506,799
Profit for the period		6,565,169	6,205,639	15,059,840	23,615,764
Total comprehensive income attributable to:					
Owners of the Company		6,670,813	4,076,673	14,009,223	20,336,566
Non-controlling interests		122,488	(441,318)	421,709	(265,345)
Total comprehensive income for the period		6,793,301	3,635,355	14,430,932	20,071,221
Basic/Diluted, earnings per ordinary share (sen)		7.03	6.57	15.69	24.93

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the year ended 31 December 2024 and the accompanying notes attached to the Interim Financial Statements.

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 30 September 2025 - unaudited

	30 September 2025 RM	31 December 2024 RM (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	61,462,860	63,847,790
Right-of-use assets	452,208	530,348
Inventories	86,835,848	86,650,334
Investment properties	125,185,235	129,050,000
Long term investment	23,526	28,754
Trade and other receivables	673,145	634,369
Other assets	23,611	25,056
Deferred tax assets	9,962,026	8,983,407
Total non-current assets	284,618,459	289,750,058
Current Assets		
Inventories	55,494,143	50,105,485
Trade and other receivables	44,218,196	45,562,290
Other assets	4,105,830	4,213,404
Short term investments	110,250,757	83,265,469
Tax recoverable	2,934,497	2,193,974
Cash and bank balances	32,039,973	52,838,115
Total current assets	249,043,396	238,178,737
TOTAL ASSETS	533,661,855	527,928,795
EQUITY AND LIABILITIES		
Equity		
Share capital	101,883,643	101,883,643
Retained profits	393,968,264	381,725,148
Reserves	(16,523,134)	(15,508,253)
Equity attributable to owners of the Company	479,328,773	468,100,538
Non-controlling interests	6,061,344	5,994,016
Total equity	485,390,117	474,094,554
Non-current Liabilities		
Loans and borrowings	10,221,729	14,183,252
Other payables	299,283	388,967
Deferred tax liabilities	6,018,164	6,473,126
Total non-current liabilities	16,539,176	21,045,345
Current Liabilities		
Loans and borrowings	9,488,564	5,938,694
Trade and other payables	18,770,031	22,165,831
Other current liabilities	866,731	2,768,417
Tax payable	2,607,236	1,915,954
Total current liabilities	31,732,562	32,788,896
Total liabilities	48,271,738	53,834,241
TOTAL EQUITY AND LIABILITIES	533,661,855	527,928,795
Net assets per share attributable to owners of the Company (RM)	5.17	5.05

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the year ended 31 December 2024 and the accompanying notes attached to the Interim Financial Statements.

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity
For 9 months ended 30 September 2025 - unaudited

	Attributable to owners of the Company								
	Non distributable					Distributable			
	Share capital RM	Foreign currency translation reserve RM	Asset revaluation reserve RM	Charter capital reserve RM	Other reserve RM	Retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
9 months ended 30 September 2025									
Balance at 1 January 2025	101,883,643	(21,767,740)	2,058,238	4,627,696	(426,447)	381,725,148	468,100,538	5,994,016	474,094,554
Foreign currency translation	-	(1,168,036)	-	-	-	-	(1,168,036)	(358,464)	(1,526,500)
Hyperinflationary adjustment	-	-	-	153,155	-	475,160	628,315	269,277	897,592
Profit for the year	-	-	-	-	-	14,548,944	14,548,944	510,896	15,059,840
Total comprehensive income for the period	-	(1,168,036)	-	153,155	-	15,024,104	14,009,223	421,709	14,430,932
Transaction with owners:									
Acquisition of subsidiary	-	-	-	-	-	-	-	60,000	60,000
Dividend to non-controlling interests	-	-	-	-	-	-	-	(414,381)	(414,381)
Dividend on ordinary shares	-	-	-	-	-	(2,780,988)	(2,780,988)	-	(2,780,988)
	-	-	-	-	-	(2,780,988)	(2,780,988)	(354,381)	(3,135,369)
Balance at 30 September 2025	101,883,643	(22,935,776)	2,058,238	4,780,851	(426,447)	393,968,264	479,328,773	6,061,344	485,390,117
9 months ended 30 September 2024									
Balance at 1 January 2024	101,883,643	(20,388,182)	2,058,238	3,026,004	(426,447)	356,865,776	443,019,032	4,841,031	447,860,063
Foreign currency translation	-	(2,772,399)	-	-	-	-	(2,772,399)	(772,144)	(3,544,543)
Profit for the year	-	-	-	-	-	23,108,965	23,108,965	506,799	23,615,764
Total comprehensive income for the period	-	(2,772,399)	-	-	-	23,108,965	20,336,566	(265,345)	20,071,221
Transaction with owners:									
Dividend to non-controlling interests	-	-	-	-	-	-	-	(254,520)	(254,520)
Dividend on ordinary shares	-	-	-	-	-	(2,780,988)	(2,780,988)	-	(2,780,988)
	-	-	-	-	-	(2,780,988)	(2,780,988)	(254,520)	(3,035,508)
Balance at 30 September 2024	101,883,643	(23,160,581)	2,058,238	3,026,004	(426,447)	377,193,753	460,574,610	4,321,166	464,895,776

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for the year ended 31 December 2024 and the accompanying notes attached to the Interim Financial Statements.

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flows
For the 9 months ended 30 September 2025 - unaudited

	Cumulative Quarter 9 months ended 30 September	
	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	19,504,225	28,905,646
Adjustments for :-		
Depreciation	3,683,257	3,737,887
Dividend income	(415,372)	(188,710)
Fair value gain on short/long term investments	(2,045,802)	(1,811,274)
Gain on disposal of investment properties	(387,243)	-
Gain on disposal of property, plant and equipment, net	(99,499)	(1,100,373)
Interest expense	830,275	1,165,846
Interest income	(825,947)	(1,101,836)
Inventories - properties held for sale and others written off	-	77,913
Loss on lease modification adjustment	-	1
Property, plant and equipment written off	1,283	238,000
Allowance for/(Reversal of) impairment loss on trade and other receivables	10,842	(6,262,964)
Unrealised loss on foreign exchange	285,336	338,143
Net monetary gain	(127,905)	-
Operating profit before changes in working capital	20,413,450	23,998,279
Changes in working capital:-		
Net changes in current assets	(3,910,957)	15,168,693
Net changes in current liabilities	(1,257,100)	(3,374,720)
Cash flows from operations	15,245,393	35,792,252
Interest paid	(37,715)	(1,009)
Interest received	530,611	755,921
Taxes paid	(6,081,490)	(4,573,312)
Net cash flows from operating activities	9,656,799	31,973,852
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	415,372	188,710
Interest received	165,902	124,642
Inventories - Land held for property development	(185,514)	(2,297,630)
Placement of deposits with maturity period more than 3 months	(1,626,484)	(1,204,799)
Proceeds from disposal of:		
- investment properties	4,252,008	-
- property, plant and equipment	99,500	1,930,444
- short term investments	40,122,138	30,810,000
Purchase of:		
- investment properties	-	(143,837)
- property, plant and equipment	(1,283,115)	(2,369,050)
- short term investments	(65,056,396)	(55,756,833)
Withdrawal of deposits with maturity period more than 3 months	511,504	-
Net cash flows used in investing activities	(22,585,085)	(28,718,353)

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flows (cont'd.)
For the 9 months ended 30 September 2025 - unaudited

	Cumulative Quarter 9 months ended 30 September	
	2025	**2024**
	RM	**RM**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(2,780,988)	(2,780,988)
Dividend paid to non-controlling interests	(414,381)	(254,520)
Interest paid	(717,769)	(931,413)
Payment of principal portion of lease liability	(71,104)	(67,501)
Proceeds from issuance of shares to non-controlling interests	60,000	-
Repayment of term loan	(3,750,003)	(3,750,003)
Repayment of hire purchase liabilities	(578,175)	(508,042)
Net cash flows used in financing activities	(8,252,420)	(8,292,467)
Net decrease in cash and cash equivalents	(21,180,706)	(5,036,968)
Effects of exchange rate differences	(237,821)	(312,302)
Cash and cash equivalents at beginning of the period	47,393,971	32,345,780
Cash and cash equivalents at end of the period	25,975,444	26,996,510

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

Cash and bank balances	16,632,593	19,522,165
Deposits with licensed banks	15,407,380	16,472,541
Bank overdrafts	-	(4,524,332)
	32,039,973	31,470,374
Less:		
Deposits with maturity period more than 3 months	(6,064,529)	(4,473,864)
	25,975,444	26,996,510

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the year ended 31 December 2024 and the accompanying notes attached to the Interim Financial Statements.

A. Notes to the Interim Financial Statements

A1. Basis of Preparation

These interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("BMSB").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024. The explanatory notes attached to the 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 year ended 31 December 2024.

Application of MFRS 129 : Financial Reporting in Hyperinflationary Economies

The Lao Statistics Bureau reported 3-year and 12-month cumulative rates of inflation of 105% and 22%, respectively, as of September 2024. Hence, Lao People's Democratic Republic ("Lao PDR") is considered as a hyperinflationary economy under MFRS 129 starting from October 2024. As a result, the Group has applied MFRS 129: Financial Reporting in Hyperinflationary Economies to its subsidiary in Lao PDR, whose functional currency is the Lao Kip.

Under MFRS 129, before translating the financial statements of the foreign subsidiary in hyperinflationary economies, its financial statements for the current period are first restated to reflect changes in the general purchasing power of the local currency. This restatement is based on the consumer price index as of the reporting date. Comparative figures from prior periods are not restated as the Group presents its consolidated financial statements in Ringgit Malaysia, which is not subject to hyperinflationary accounting.

Date	Index	Conversion factor
30 September 2025	256.90	1.000
31 December 2024	243.52	1.055

The application of MFRS 129 includes:
- Non-monetary assets and liabilities were restated to reflect the purchasing power of the functional currency as of the reporting date, using the relevant price index.
- Net monetary gain of RM93,186 was recognised in the profit or loss due to the changes in purchasing power on holding monetary assets and liabilities.
- The financial statements of the affected subsidiary were adjusted before being translated into the Group's presentation currency. All amounts (ie. assets, liabilities, equity, income and expenses) are translated to RM at exchange rates at the end of the reporting period. The cumulative adjustment was recorded in other comprehensive income.

A. Notes to the Interim Financial Statements

A2. Significant Accounting Policies

The significant accounting policies and presentation adopted by the Group in these interim financial statements are consistent with those of the Group's consolidated audited financial statements for the year ended 31 December 2024 except as follows:

On 1 January 2025, the Group adopted the following amended MFRSs, if applicable, mandatory for annual financial period beginning on or after the following dates.

	Effective for annual financial periods beginning on or after
Lack of Exchangeability (Amendments to MFRS 121)	1 January 2025

Adoption of the above amendments did not have any effect on the financial performance or position of the Group.

A3. Seasonal or Cyclical Factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the financial year to date.

A5. Changes in Estimates

There were no changes in estimation that have had any material effect on the current quarter and the financial year to date results.

A6. Debt and Equity Securities

There were no issuances, repurchases and repayments of debt and equity securities, share buy-back and share held as treasury shares during the financial year to date.

A7. Dividend Paid

The first and final single tier dividend of 3 sen per ordinary share in respect of the financial year ended 31 December 2024, which was approved at the Annual General Meeting on 28 May 2025, was paid on 15 August 2025 to shareholders whose names appear in the Record of Depositors on 31 July 2025.

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

A. Notes to the Interim Financial Statements (cont'd.)

A8. Profit from operating activities

	Current Quarter 3 months ended 30 September 2025	2024	Cumulative Quarter 9 months ended 30 September 2025	2024
	RM	RM	RM	RM
The following items have been included in arriving at profit from operating activities:				
Total depreciation	1,215,899	1,220,439	3,683,257	3,737,887
Depreciation capitalised under construction costs	(32,519)	(36,071)	(106,689)	(126,379)
Depreciation charged to profit from operating activities	1,183,380	1,184,368	3,576,568	3,611,508
Allowance for/(Reversal of) impairment loss on trade and other receivables	(367,270)	395,844	10,842	(6,262,964)
Dividend income	(132,602)	(70,125)	(415,372)	(188,710)
Fair value gain on short/long term investments	(770,921)	(696,225)	(2,045,802)	(1,811,274)
Gain on disposal of investment properties	-	-	(387,243)	-
Gain on disposal of property, plant and equipment, net	(25,000)	(454,645)	(99,499)	(1,100,373)
Loss/(Gain) on foreign exchange :				
- realised	70,347	26,147	103,624	(19,655)
- unrealised	(55,526)	378,915	285,336	338,143
Inventories - properties held for sale and others written off	-	10,631	-	77,913
Loss on lease modification adjustments	-	-	-	1
Property, plant and equipment written off	-	-	1,283	238,000
Impairment loss on property, plant and equipment	N/A	N/A	N/A	N/A
Gain on derivatives	N/A	N/A	N/A	N/A

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting

Business Segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment. Current taxes, deferred taxes and certain financial assets not allocated to those segments as they are managed on a group basis.

Current quarter 3 months ended 30 September 2025	**Investment RM**	**Construction RM**	**Quarry RM**	**Property development RM**	**Utilities RM**	**Others RM**	**Total RM**
Revenue							
Total revenue	1,527,677	7,456,238	33,180,938	1,944,950	2,051,909	1,959,138	48,120,850
Inter-segment sales	(84,000)	-	(52,475)	-	-	(1,959,138)	(2,095,613)
External sales	1,443,677	7,456,238	33,128,463	1,944,950	2,051,909	-	46,025,237
Results							
Segment results	710,215	(191,285)	8,568,225	(778,376)	149,969	170,914	8,629,662
Interest expense	(213,733)	(32,360)	(10,772)	(2,836)	(590)	(10,805)	(271,096)
Net monetary gain	-	-	-	-	38,827	-	38,827
Profit/(Loss) before tax	496,482	(223,645)	8,557,453	(781,212)	188,206	160,109	8,397,393
Income tax expense							(1,832,224)
Profit for the period							6,565,169
Total Assets							
Segment assets	172,380	(3,489,555)	(5,828,203)	2,875,412	(213,308)	1,798,243	(4,685,031)
Unallocated corporate assets							5,564,085
Total assets							879,054
Total Liabilities							
Segment liabilities	(3,262,914)	(2,386,100)	(4,108,945)	709,155	(448,742)	3,318,740	(6,178,806)
Unallocated corporate liabilities							271,189
Total liabilities							(5,907,617)

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Current quarter 3 months ended 30 September 2025 (cont'd.)							
Type of goods and services							
Construction contracts	-	7,456,238	-	872,290	-	-	8,328,528
Sale of development properties	-	-	-	1,041,388	-	-	1,041,388
Sale of goods and services	1,110	-	33,128,463	31,272	2,051,909	-	35,212,754
Revenue from contracts with customers	1,110	7,456,238	33,128,463	1,944,950	2,051,909	-	44,582,670
Rental income from investment properties	1,442,567	-	-	-	-	-	1,442,567
	1,443,677	7,456,238	33,128,463	1,944,950	2,051,909	-	46,025,237
Geographical markets							
Malaysia	1,110	7,456,238	33,128,463	1,944,950	-	-	42,530,761
Lao People's Democratic Republic	-	-	-	-	2,051,909	-	2,051,909
	1,110	7,456,238	33,128,463	1,944,950	2,051,909	-	44,582,670
Timing of transfer of goods and services							
At a point in time	1,110	-	33,128,463	31,272	2,051,909	-	35,212,754
Over time	-	7,456,238	-	1,913,678	-	-	9,369,916
	1,110	7,456,238	33,128,463	1,944,950	2,051,909	-	44,582,670

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Current quarter 3 months ended 30 September 2024							
Revenue							
Total revenue	4,341,271	12,024,766	35,481,233	1,212,827	1,694,923	70,799	54,825,819
Inter-segment sales	(2,582,500)	(1,117,953)	(923,927)	-	-	(70,799)	(4,695,179)
External sales	1,758,771	10,906,813	34,557,306	1,212,827	1,694,923	-	50,130,640
Results							
Segment results	711,570	557,496	7,085,116	(127,368)	313,550	37,383	8,577,747
Interest expense	(269,557)	(29,560)	(18,908)	(221)	(585)	-	(318,831)
Profit/(Loss) before tax	442,013	527,936	7,066,208	(127,589)	312,965	37,383	8,258,916
Income tax expense							(2,053,277)
Profit for the period							6,205,639
Total Assets							
Segment assets	(166,768)	1,629,651	6,354,484	(16,327,996)	(3,048,272)	46,275	(11,512,626)
Unallocated corporate assets							13,719,877
Total assets							2,207,251
Total Liabilities							
Segment liabilities	(4,155,778)	(1,328,806)	5,254,594	(530,106)	(230,156)	82	(990,170)
Unallocated corporate liabilities							(183,414)
Total liabilities							(1,173,584)

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Current quarter 3 months ended 30 September 2024 (cont'd.)							
Type of goods and services							
Construction contracts	-	10,903,765	-	-	-	-	10,903,765
Sale of development properties	-	-	-	1,129,850	-	-	1,129,850
Sale of goods and services	2,060	3,048	34,557,306	82,977	1,694,923	-	36,340,314
Revenue from contracts with customers	2,060	10,906,813	34,557,306	1,212,827	1,694,923	-	48,373,929
Rental income from investment properties	1,756,711	-	-	-	-	-	1,756,711
	1,758,771	10,906,813	34,557,306	1,212,827	1,694,923	-	50,130,640
Geographical markets							
Malaysia	2,060	10,906,813	34,557,306	1,212,827	-	-	46,679,006
Lao People's Democratic Republic	-	-	-	-	1,694,923	-	1,694,923
	2,060	10,906,813	34,557,306	1,212,827	1,694,923	-	48,373,929
Timing of transfer of goods and services							
At a point in time	2,060	3,048	34,557,306	82,977	1,694,923	-	36,340,314
Over time	-	10,903,765	-	1,129,850	-	-	12,033,615
	2,060	10,906,813	34,557,306	1,212,827	1,694,923	-	48,373,929

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Cumulative quarter 9 months ended 30 September 2025							
Revenue							
Total revenue	5,234,223	20,133,850	82,746,666	3,895,473	6,180,968	1,995,671	120,186,851
Inter-segment sales	(251,000)	(1,292,143)	(70,691)	-	-	(1,995,671)	(3,609,505)
External sales	4,983,223	18,841,707	82,675,975	3,895,473	6,180,968	-	116,577,346
Results							
Segment results	2,532,861	(905,580)	18,774,920	(2,056,651)	1,829,482	66,282	20,241,314
Interest expense	(677,262)	(97,080)	(39,950)	(3,425)	(1,753)	(10,805)	(830,275)
Net monetary gain	-	-	-	-	93,186	-	93,186
Profit/(Loss) before tax	1,855,599	(1,002,660)	18,734,970	(2,060,076)	1,920,915	55,477	19,504,225
Income tax expense							(4,444,385)
Profit for the period							15,059,840
Total Assets							
Segment assets	129,235,602	48,360,983	73,308,245	124,866,993	31,604,804	3,114,422	410,491,049
Unallocated corporate assets							123,170,806
Total assets							533,661,855
Total Liabilities							
Segment liabilities	19,577,945	4,680,765	7,481,437	2,908,262	1,643,569	3,354,360	39,646,338
Unallocated corporate liabilities							8,625,400
Total liabilities							48,271,738

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Cumulative quarter 9 months ended 30 September 2025 (cont'd.)							
Type of goods and services							
Construction contracts	-	18,838,866	-	2,480,521	-	-	21,319,387
Sale of development properties	-	-	-	1,212,912	-	-	1,212,912
Sale of goods and services	3,800	2,841	82,675,975	202,040	6,180,968	-	89,065,624
Revenue from contracts with customers	3,800	18,841,707	82,675,975	3,895,473	6,180,968	-	111,597,923
Rental income from investment properties	4,979,423	-	-	-	-	-	4,979,423
	4,983,223	18,841,707	82,675,975	3,895,473	6,180,968	-	116,577,346
Geographical markets							
Malaysia	3,800	18,841,707	82,675,975	3,895,473	-	-	105,416,955
Lao People's Democratic Republic	-	-	-	-	6,180,968	-	6,180,968
	3,800	18,841,707	82,675,975	3,895,473	6,180,968	-	111,597,923
Timing of transfer of goods and services							
At a point in time	3,800	2,841	82,675,975	202,040	6,180,968	-	89,065,624
Over time	-	18,838,866	-	3,693,433	-	-	22,532,299
	3,800	18,841,707	82,675,975	3,895,473	6,180,968	-	111,597,923

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Cumulative quarter 9 months ended 30 September 2024							
Revenue							
Total revenue	7,864,060	31,398,574	89,643,560	6,237,070	5,884,028	262,667	141,289,959
Inter-segment sales	(2,747,500)	(2,947,942)	(1,427,599)	-	-	(262,667)	(7,385,708)
External sales	5,116,560	28,450,632	88,215,961	6,237,070	5,884,028	-	133,904,251
Results							
Segment results	2,740,738	7,985,209	18,017,755	(588,399)	1,794,588	121,601	30,071,492
Interest expense	(852,135)	(254,311)	(57,274)	(221)	(1,905)	-	(1,165,846)
Profit/(Loss) before tax	1,888,603	7,730,898	17,960,481	(588,620)	1,792,683	121,601	28,905,646
Income tax expense							(5,289,882)
Profit for the period							23,615,764
Total Assets							
Segment assets	131,776,028	45,189,029	95,680,374	126,601,830	23,648,844	406,191	423,302,296
Unallocated corporate liabilities							100,311,109
Total assets							523,613,405
Total Liabilities							
Segment liabilities	22,540,244	7,267,586	13,495,635	5,136,636	1,617,079	448	50,057,628
Unallocated corporate liabilities							8,660,001
Total liabilities							58,717,629

DKLS INDUSTRIES BERHAD (199501040269) (369472 - P)
(Incorporated in Malaysia)

A. Notes to the Interim Financial Statements (cont'd.)

A9. Segmental reporting (cont'd.)

Business Segments (cont'd.)

	Investment RM	Construction RM	Quarry RM	Property development RM	Utilities RM	Others RM	Total RM
Cumulative quarter 9 months ended 30 September 2024 (cont'd.)							
Type of goods and services							
Construction contracts	-	28,438,827	-	-	-	-	28,438,827
Sale of development properties	-	-	-	5,165,961	-	-	5,165,961
Sale of goods and services	5,390	11,805	88,215,961	1,071,109	5,884,028	-	95,188,293
Revenue from contracts with customers	5,390	28,450,632	88,215,961	6,237,070	5,884,028	-	128,793,081
Rental income from investment properties	5,111,170	-	-	-	-	-	5,111,170
	5,116,560	28,450,632	88,215,961	6,237,070	5,884,028	-	133,904,251
Geographical markets							
Malaysia	5,390	28,450,632	88,215,961	6,237,070	-	-	122,909,053
Lao People's Democratic Republic	-	-	-	-	5,884,028	-	5,884,028
	5,390	28,450,632	88,215,961	6,237,070	5,884,028	-	128,793,081
Timing of transfer of goods and services							
At a point in time	5,390	11,805	88,215,961	1,071,109	5,884,028	-	95,188,293
Over time	-	28,438,827	-	5,165,961	-	-	33,604,788
	5,390	28,450,632	88,215,961	6,237,070	5,884,028	-	128,793,081

A. Notes to the Interim Financial Statements (cont'd.)

A10. Material Subsequent Events

There were no material events after the interim period that have not been reflected in the interim financial statements for the financial year to date.

A11. Changes in Compositon of the Group

On 8 January 2025, the Company subscribed for 140,000 ordinary shares at an issue price of RM1.00 each in DKLS Resources (M) Sdn. Bhd. ("DKR"), for a total cash investment of RM140,000, effectively making DKR a 70% owned subsidiary of the Company.

A12. Changes in Contingent Liabilities and Assets

(a) Contingent Liabilities

	As at 30 September	
	2025	**2024**
	RM	**RM**
Unsecured:		
Corporate guarantees given to banks for facilities granted to subsidiaries	24,475,918	37,633,764

The Company monitors the performance of its subsidiaries closely to ensure they meet all their financial obligations. In view that there is minimal risk of default, the Company has not recognised the value of the obligation under the financial guarantee in the statement of financial position.

(b) Contingent Assets

There were no contingent assets since 31 December 2024.

A. Notes to the Interim Financial Statements (cont'd.)

A13. Related Party Disclosures

Significant related party transactions are as follows:

	Current Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2025	2024	2025	2024
	RM	RM	RM	RM
Architect fees paid to Architect Ding Poi Kooi	-	-	(457,118)	(471,160)
Purchase of consumables from DKLS Service Station	(469)	(1,369)	(5,311)	(59,972)
Rental of car park paid to				
Aplikasi Budimas Sdn Bhd	-	(4,120)	(8,140)	(13,160)
Ipoh Tower Sdn Bhd	(4,120)	-	(4,120)	-
Supply of electricity by Ipoh Tower Sdn Bhd	(15,406)	(15,884)	(44,972)	(49,371)

The Directors are of the opinion that all related party transactions have been entered into in the ordinary course of business at arm's length basis on normal commercial terms.

There were no transactions with key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment.

A14. Capital Commitments

	As at 30 September 2025 RM
Approved and contracted for:	
Property, plant and equipment	1,340,000
Approved but not contracted for:	
Property, plant and equipment	-

A15. Operating lease commitments - as lessor

Future minimum rentals receivables under non-cancellable operating leases are as follows:

	As at 30 September 2025 RM
Not later than 1 year	4,273,920
Later than 1 year but not later than 5 years	3,367,418
	7,641,338

B. Additional information required by BMSB's Listing Requirements

B1. Operating Segment Review

(a) Review of Performance for 3Q25 vs 3Q24

For the current quarter under review (3Q25), the Group recorded lower revenue of RM46.025 million, representing a decrease of 8.2% compared to RM50.131 million in the previous year corresponding quarter (3Q24). The decline was mainly attributable to construction segment, primarily due to lower order book.

Despite the reduction in revenue, the Group achieved a slightly higher profit before tax of RM8.397 million, an increase of 1.7% as compared to RM8.259 million in 3Q24, mainly driven by higher margin from the quarry segment following lower upkeep expenses.

The variances in revenue and profit before tax of the Group can be analysed by segment as below:-

3Q25 vs 3Q24 Increase/(Decrease)	**Revenue** RM'000	**Profit before tax** RM'000
Investment	(315)	54
Construction	(3,451)	(751)
Quarry	(1,429)	1,491
Property development	732	(654)
Utilities	357	(125)
Others	-	123
	(4,106)	138

(b) Review of Performance to date for FY25 vs FY24

For the current financial year to date under review (FY25), the Group recorded lower revenue and profit before tax of RM116.577 million and RM19.504 million, a decrease of 12.9% and 32.5% respectively, as compared to RM133.904 million and RM28.906 million in the preceding year corresponding period (FY24). The variances in revenue and profit before tax of the Group can be analysed by segment as below:-

FY25 vs FY24 Increase/(Decrease)	**Revenue** RM'000	**Profit before tax** RM'000
Investment	(133)	(33)
Construction	(9,609)	(8,734)
Quarry	(5,540)	775
Property development	(2,342)	(1,471)
Utilities	297	128
Others	-	(67)
	(17,327)	(9,402)

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B1. Operating Segment Review (cont'd.)

Investment

The investment segment derived its main income from investment properties.

The investment segment recorded lower revenue of RM4.983 million as compared to RM5.116 million in the preceding year corresponding period. The decline was mainly due to a lower occupancy rate, which dropped from 98% to 90%, partially offset by an increase in the average monthly rental rate per square foot.

The segment's lower profit before tax of RM1.856 million (FY24 : RM1.889 million) was affected by the higher staff cost and professional fees, and a lower fair value gain from short term investments. However, these negative effects were partially cushioned by a gain on disposal of investment properties amounting to RM0.387 million (FY24 : RMNil), lower foreign exchange loss of RM0.129 million (FY24 : RM0.245 million) and lower interest expense of RM0.677 million (FY24 : RM0.852 million).

The investment segment has maintained consistent margin for both FY25 and FY24.

Construction

For the current financial year to date, the construction segment recorded lower revenue of RM18.842 million (FY24 : RM28.451 million), mainly due to smaller order book during the period.

The segment also reported a loss before tax of RM1.003 million in FY25, compared to a profit before tax of RM7.731 million in FY24, reflecting the impact of reduced revenue. In addition to the lower revenue, the loss before tax was further affected by an allowance for impairment losses on receivables of RM0.189 million and a foreign exchange loss of RM0.166 million, partially mitigated by lower interest expense of RM0.097 million. This contrasted with the previous year's results, which included a reversal of impairment loss on receivables of RM6.471 million, a foreign exchange gain of RM0.034 million, and a gain on disposal of property, plant and equipment of RM0.501 million.

Quarry

For the current financial year to date, the quarry segment recorded lower revenue of RM82.676 million (FY24 : RM88.216 million) mainly attributable to a decline in sales volume for quarry products.

Notwithstanding the decline in revenue, the segment achieved a higher profit before tax of RM18.735 million (FY24 : RM17.960 million) supported by higher dividend income and fair value gain from short term investments amounting to RM1.238 million (FY24 : RM0.740 million), the reversal of impairment losses of RM0.197 million (FY24 : allowance for impairment losses of RM0.207 million), a reduction in plant and equipment and inventory write-off to RM0.001 million (FY24 : RM0.316 million), as well as lower upkeep expenses.

Excluding these items, the quarry segment would have recorded a lower profit before tax, consistent with the decline in revenue.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B1. Operating Segment Review (cont'd.)

Property Development

The property development segment's performance in FY25 was affected by a decline in revenue to RM3.895 million, compared to RM6.237 million in FY24. The lower revenue was mainly attributable to a reduced number of active development projects, resulting in a higher loss before tax of RM2.060 million as compared to RM0.589 million in FY24.

In addition to lower revenue, the segment's performance was further dampened by higher administrative expenses, including advertising and marketing fee for upcoming project, professional fee for market study on future developments, and legal and stamping fee related to new banking facilities. The segment also recorded lower other operating income during the year, which further contributed to the decline in overall performance.

Utilities

The revenue of utilities segment is derived from the supply of treated water and related services to consumers from a water treatment plant located in Lao People's Democratic Republic.

The utilities segment recorded higher revenue of RM6.181 million (FY24 : RM5.884 million), mainly driven by increased water consumption and an upward revision in water tariff rates. This improvement was partially offset by the effect of the weakening of Lao Kip against Ringgit Malaysia.

On the back of the higher revenue, the segment's profit before tax increased to RM1.921 million (FY24 : RM1.793 million). In addition to revenue growth, the segment's performance was also affected by the higher depreciation charges of RM1.244 million (FY24 : RM1.113 million), a lower foreign exchange loss of RM0.094 million (FY24 : RM0.108 million), and a net monetary gain arising from the hyperinflationary adjustments of RM0.093 million (FY24 : RMNil).

B2. Variance of Results Against Preceding Quarter

	Current Quarter 30 September 2025 (3Q25)	Immediate Preceding Quarter 30 June 2025 (2Q25)	Changes Amount
	RM'000	RM'000	RM'000
Revenue	46,025	36,906	9,119
Profit before tax	8,397	7,198	1,199

The Group recorded a higher profit before tax on the back of increased revenue in the current quarter as compared to the immediate preceding quarter. The revenue growth was mainly driven by higher sales volume from quarry segment.

Despite the increase in revenue, the Group's net margin declined from the immediate preceding quarter, primarily due to a lower gross margin contributed by the utilities segment resulting from higher raw material consumption.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B2. Variance of Results Against Preceding Quarter (cont'd.)

The stronger performance in 3Q25 was further supported by the reversal of impairment losses on receivables of RM0.367 million (2Q25 : allowance for impairment losses of RM0.036 million), lower foreign exchange loss of RM0.015 million (2Q25 : RM0.314 million), and lower employee benefit expenses of RM3.084 million (2Q25 : RM3.868 million). These positive effect were partially offset by the absence of gain on disposal of investment property in 3Q25 (2Q25 : RM0.387 million), lower other operating income comprising gain on disposal of property, plant and equipment, dividend income and interest income totalling RM0.370 million (2Q25 : RM0.555 million), as well as higher administrative expense arising from legal and stamping fees related to new banking facilities and professional fees for market study on future development.

B3. Prospects

The Group anticipates operating in a moderate growth environment for the remainder of the year, as the Malaysian economy faces softening global demand and other external pressures and yet Malaysian economy remain hopeful with the adjustment of tariff from 19% to 0% by Malaysia major trading partner.

To navigate these headwinds, the Budget 2026 mainly focuses on boosting growth through domestic demand and targeted investments.

The Construction Division continues to operate in a challenging and competitive environment, characterised by intense bidding for a limited number of tenders, and rising operational costs. The recent expansion of the Service Tax scope to certain sectors relevant to the Group is expected to affect overall cost structures. The Division will continue to prioritise prudent cost management while actively seeking for new tender opportunities.

The outlook for Property Division remains moderate. Although the 25 basis points reduction in the OPR to 2.75% in July 2025 and the extended stamp duty exemption for first-time homebuyers of homes up to RM500,000 announced in the Budget 2026 are expected to support market demand, these positive stimuli are tempered by rising development and living costs. Despite lower borrowing costs, overall affordability remains constrained.

The Quarry Division is expected to sustain its stable growth trajectory despite industry challenges. The Division will continue to leverage on its strategic plant locations to mitigate logistical challenges and supply chain disruptions common to the industry, thereby reinforcing its position as a reliable supplier. Looking ahead, the Division's focus is on expanding its production capacity by optimising output so as to be well prepared to capture demand and new opportunities in the region.

The Utilities Division's water treatment plant concession in Lao People's Democratic Republic will continue to contribute recurring income stream into the Group. However, foreign exchange volatility has and will continue to impact the Division's performance.

Overall, while acknowledging potential challenges, the Group holds a cautiously optimistic view for the remaining of the year, barring any unforeseen circumstances.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B4. Income tax expense

	Current Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current income tax:				
Malaysia income tax	2,250,129	1,902,531	5,400,468	5,075,850
Foreign tax	143,842	82,990	461,705	408,814
Under provision in prior years	37,500	95,322	37,500	95,322
	2,431,471	2,080,843	5,899,673	5,579,986
Deferred income tax:				
Relating to origination and reversal of temporary differences	(552,819)	(30,564)	(1,552,099)	(331,677)
(Over)/Under provision in prior years	(47,409)	1,935	(47,409)	21,610
	(600,228)	(28,629)	(1,599,508)	(310,067)
Real Property Gain Tax	-	215	92,405	12,640
Withholding tax paid	981	848	51,815	7,323
Income tax expense	1,832,224	2,053,277	4,444,385	5,289,882

Current income tax is calculated at the Malaysian corporate statutory tax rate of 24% of the estimated assessable profit for the period.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B4. Income tax expense (cont'd.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Current Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit before tax	8,397,393	8,258,916	19,504,225	28,905,646
Taxation at applicable tax rates	2,015,374	1,982,140	4,681,014	6,937,355
Income not subject to tax	(436,279)	(169,432)	(1,045,404)	(2,252,194)
Expenses not deductible for tax purposes	119,188	201,209	694,603	545,397
Expenses under special deduction for tax purposes	(9,797)	(8,190)	(28,194)	(29,114)
Difference in tax rate of foreign subsidiary	(14,452)	(15,502)	(94,268)	(88,543)
Utilisation of previously unrecognised deferred tax assets	1	(10)	-	(33)
Deferred tax assets not recognised	1,490	(34,147)	1,490	-
Deferred tax on undistributed earnings from foreign subsidiary	19,278	(18,163)	16,810	28,079
Deferred tax on fair value adjustment	938	17,052	(40,056)	12,040
Hyperinflationary adjustment	82,845	-	2,120	-
Taxable foreign source income recognised in prior year	62,566	-	121,959	-
Real Property Gain Tax	-	215	92,405	12,640
Withholding tax paid	981	848	51,815	7,323
Under provision of taxation in prior years	37,500	95,322	37,500	95,322
(Over)/Under provision of deferred tax in prior years	(47,409)	1,935	(47,409)	21,610
Income tax expense	1,832,224	2,053,277	4,444,385	5,289,882

B5. Corporate Proposals and Profit Forecast

Not applicable as no profit forecast was published.

There were no corporate proposals announced but not completed as at the reporting date.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B6. Borrowing and Debt Securities

	As at 30 September 2025 RM	As at 30 September 2024 RM
Short term borrowings		
Bank overdrafts (unsecured)	-	4,524,332
Hire purchase liabilities (secured)	289,785	796,591
Term loans (secured)	5,000,004	5,000,004
Lease liabilities (unsecured)	98,775	93,632
Revolving credit (unsecured)	4,100,000	-
	9,488,564	10,414,559
Long term borrowings		
Hire purchase liabilities (secured)	41,383	265,171
Term loans (secured)	9,833,282	14,833,286
Lease liabilities (unsecured)	347,064	445,009
	10,221,729	15,543,466
Total borrowings	19,710,293	25,958,025

Loan and borrowings are denominated in the following currencies:

	As at 30 September 2025 RM	As at 30 September 2024 RM
Ringgit Malaysia	19,682,688	25,930,420
Lao Kip	27,605	27,605
	19,710,293	25,958,025

The loans and borrowings denominated in Lao Kip was undertaken by a foreign subsidiary in which the repayment is to be settled in the functional currency of the said subsidiary as such no hedging to Ringgit Malaysia is required.

B7. Changes in Material Litigation

There was no material litigation against the Group as at the reporting date.

B8. Proposed Dividend

No dividend has been proposed or declared in respect of the financial year to date.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B9. Basic Earnings Per Share

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted number of ordinary shares in issue during the financial year:

	Current Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit attributable to owners of the Company	6,520,110	6,086,111	14,548,944	23,108,965
Weighted average number of ordinary shares in issue	92,699,600	92,699,600	92,699,600	92,699,600
	Sen	Sen	Sen	Sen
Basic earnings per share	7.03	6.57	15.69	24.93

(b) Diluted

There is no dilutive effect on earnings per share as the Company has no potential issues of ordinary shares.

B10. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2024 was unqualified.

B11. Financial Assistance in the Ordinary Course of Business

As at the end of the reporting period, DKLS Construction Sdn Bhd, a wholly-owned subsidiary of the Company, in the ordinary course of business has caused certain financial institutions to issue Performance Bond guarantees amounting to RM2,529,587 on behalf of the main contractors. The Company monitors the performance of its subsidiaries closely to ensure they meet all their financial obligations. In view that there is minimal risk of default, the company has not recognised the value of the obligation under the Financial Guarantee in its books.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B12. Fair value of non-financial assets and financial instruments

The following table provides the fair value measurement hierarchy of the Group's non-financial assets and financial instruments as at 30 September 2025:

Fair value of non-financial assets and financial instruments that are carried at fair value

	Quoted prices in active markets for identical assets Level 1 RM	Significant other observable inputs Level 2 RM	Significant unobservable inputs Level 3 RM
Non-financial assets:			
Investment properties	-	-	125,185,235
Financial assets:			
Long term/short term investments			
- Equity instruments (quoted)	23,526	-	-
- Unit trust fund (quoted)	-	110,250,757	-
Financial liabilities:			
Other commitments	-	848,849	-

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the period.

Level 1

Level 1 fair value is derived from quoted (unadjusted) market prices in active markets for identical assets and liabilities.

Level 2

Level 2 fair value is measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3

Level 3 fair value is measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

B. Additional information required by BMSB's Listing Requirements (cont'd.)

B12. Fair value of non-financial assets and financial instruments (cont'd.)

Fair value of financial instruments that are carried at fair value (cont'd.)

Determination of fair value

Investment properties

Fair value is determined based on valuations as at 31 December 2024. Valuations are performed by accredited independent valuers with recent experience in the location and category of properties being valued. The valuations are based on the comparison and income capitalisation method that makes reference to the recent transaction value.

Quoted equity instruments

Fair value is determined directly by reference to the published market bid price at the reporting date.

Unit trust fund (quoted)

Fair value is determined directly by reference to the published net asset value at the reporting date.

Other commitments

Fair value is estimated by discounting expected future cash flows at market borrowing interest rates.

Dated : 24 November 2025