EPICON BERHAD

Registration No. 200301015160 (617580 - T)
(Incorporated in Malaysia)

Interim Financial Statements

Fourth Quarter Results
Period Ended
31 December 2025

EPICON BERHAD
Registration No. 200301015160 (617580 - T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025

	Individual Quarter		Cumulative Quarter	
	Current Quarter	**Preceding Year Corresponding Quarter**	**Current Quarter**	**Preceding Year Corresponding Quarter**
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	41,056	39,751	179,217	185,300
Cost of sales	(33,574)	(29,954)	(145,320)	(154,553)
Gross profit	7,482	9,797	33,897	30,747
Other income	2,764	1,218	3,196	3,572
Administrative expenses	(4,684)	(4,376)	(19,404)	(14,695)
Other expenses	(2,913)	(4,373)	(6,324)	(4,757)
Profit from operations	2,649	2,266	11,365	14,867
Finance costs	(2,091)	(480)	(4,316)	(1,319)
Profit before tax	558	1,786	7,049	13,548
Income tax expense (Note B6)	(524)	(1,054)	(2,587)	(4,197)
Profit after tax/ Total other comprehensive income for the period	34	732	4,462	9,351
Profit after tax attributable to:				
- Owners of the company	26	732	4,003	9,351
- Non-controlling interests	8	-	459	-
	34	732	4,462	9,351
Total comprehensive income attributable to:				
- Owners of the company	26	732	4,003	9,351
- Non-controlling interests	8	-	459	-
	34	732	4,462	9,351

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 - CONTINUED

	Individual Quarter		**Cumulative Quarter**	
	Current Quarter	**Preceding Year Corresponding Quarter**	**Current Quarter**	**Preceding Year Corresponding Quarter**
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Earnings per share (sen) (Note B14):				
- Basic (based on weighted average)	0.01	0.12	0.71	1.57
- Diluted (based on weighted average)	0.00	0.09	0.52	1.13
	=========	=========	=========	=========

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and accompanying explanatory notes attached to the interim financial statements.

EPICON BERHAD
Registration No. 200301015160 (617580 - T)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Unaudited 31 Dec 2025 RM'000	Audited 31 Dec 2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	20,238	5,358
Right-of-use assets	1,863	-
Call option asset	2,781	-
Deferred tax assets	601	560
Other receivables	-	121
	25,483	6,039
Current Assets		
Inventories	2,615	-
Contract cost assets	964	-
Trade receivables	153,919	105,193
Other receivables, deposits and prepayments	9,623	11,629
Contract assets	43,958	35,551
Current tax assets	1,309	-
Fixed deposits with licensed banks	14,078	13,910
Cash and bank balances	15,558	14,864
	242,024	181,147
Total Assets	267,507	187,186
EQUITY AND LIABILITIES		
Equity		
Share capital	33,344	25,341
Redeemable convertible preference shares	23,300	23,300
Reserves	30,798	26,795
Equity Attributable to Owners of the Company	87,442	75,436
Non-controlling interests	9,817	-
Total Equity	97,259	75,436
Non-Current Liabilities		
Lease liabilities	4,035	3,339
Long-term borrowings (Note B10)	11,140	1,465
Deferred tax liabilities	266	-
	15,441	4,804

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 - CONTINUED

	Unaudited 31 Dec 2025 RM'000	Audited 31 Dec 2024 RM'000
Current Liabilities		
Trade payables	52,628	56,865
Other payables and accruals	24,679	15,346
Amount owing to directors	3,009	-
Lease liabilities	1,116	605
Short-term borrowings (Note B10)	72,959	32,575
Current tax liabilities	416	1,555
	154,807	106,946
Total Liabilities	170,248	111,750
Total Equity and Liabilities	267,507	187,186
Net assets per ordinary share attributable to owners of the company (RM)	0.14	0.13

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and accompanying explanatory notes attached to the interim financial statements.

EPICON BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025

	Current Year to Date 31 Dec 2025 RM'000	Preceding Year Corresponding Period 31 Dec 2024 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	7,049	13,548
Adjustments for:		
Depreciation of property, plant and equipment	1,950	485
Depreciation of right-of-use assets	439	133
Finance costs	4,316	1,319
Impairment losses/(Reversal of impairment losses) on:		
- trade receivables	2,720	946
- contract assets	(1,819)	3,089
- other receivables	400	59
Loss/(Gain) on disposal of property, plant and equipment	117	(423)
Loss on remeasurement of deferred:		
- trade receivables	1,920	-
- other receivables	32	37
Property, plant and equipment written off	15	12
Bargain purchase	(85)	-
Fair value gain on derivatives	(1,829)	-
Interest income	(413)	(657)
Gain on lease termination	(1)	(18)
Operating profit before working capital changes	14,811	18,530
Changes in contract cost assets	(964)	-
Changes in contract liabilities and contract assets	11,357	(42,223)
Changes in inventories	878	-
Changes in trade and other receivables	(44,955)	(40,684)
Changes in trade and other payables	(4,135)	20,868
Changes in amount owing to directors	(2,740)	-
CASH FOR OPERATIONS	(25,748)	(43,509)
Interest paid	(3,426)	(1,319)
Income tax paid	(4,911)	(4,678)
Income tax refunded	356	-
NET CASH FOR OPERATING ACTIVITIES	(33,729)	(49,506)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents	(9,523)	-
Acquisition of property, plant and equipment	(826)	(1,348)
Interest income received	413	657
Proceeds from disposal of property, plant and equipment	98	1,376
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(9,838)	685

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 - CONTINUED

	Current Year to Date 31 Dec 2025 RM'000	Preceding Year Corresponding Period 31 Dec 2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net changes in borrowings	45,482	20,430
Repayment of lease liabilities	(1,053)	(389)
Additions to pledged fixed deposits	(168)	(4,177)
NET CASH FROM FINANCING ACTIVITIES	44,261	15,864
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	694	(32,957)
CASH AND CASH EQUIVALENT AS AT BEGINNING OF PERIOD	14,864	47,821
CASH AND CASH EQUIVALENT AS AT END OF PERIOD	15,558	14,864

The cash and cash equivalents comprise the following:-

	Current Year to Date 31 Dec 2025 RM'000	Preceding Year Corresponding Period 31 Dec 2024 RM'000
Fixed deposits with licensed banks	14,078	13,910
Cash and bank balances	15,558	14,864
	29,636	28,774
Less: Fixed deposits pledged to licensed banks	(14,078)	(13,910)
	15,558	14,864

Fixed deposits with licensed banks are pledged as security for borrowings as disclosed in Note B10 and as security for bank guarantee facilities granted by licensed banks.

The condensed consolidated cash flows statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and accompanying explanatory notes attached to the interim financial statements.

EPICON BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025

	Share Capital RM'000	Redeemable Convertible Preference Shares RM'000	Non-distributable Put Option Reserves RM'000	Distributable Retained Earnings RM'000	Total Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance at 1 January 2025	25,341	23,300	-	26,795	75,436	-	75,436
Put option liability over shares held by non-controlling interests	-	-	(11,943)	-	(11,943)	-	(11,943)
Derecognition of put option liability	-	-	11,943	-	11,943	-	11,943
Issuance of new ordinary shares	8,003	-	-	-	8,003	-	8,003
Acquisition of subsidiaries	-	-	-	-	-	9,358	9,358
Profit after taxation for the financial year	-	-	-	4,003	4,003	459	4,462
Balance at 31 December 2025	33,344	23,300	-	30,798	87,442	9,817	97,259
Balance at 1 January 2024	25,341	23,300	-	17,444	66,085	-	66,085
Profit after taxation for the financial year	-	-	-	9,351	9,351	-	9,351
Balance at 31 December 2024	25,341	23,300	-	26,795	75,436	-	75,436

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of Preparation

Statement of compliance

The 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024. These 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.

Significant accounting policies

(a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2024.

(b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

MFRSs and Interpretations	**Effective for financial periods beginning on or after**
Amendments to MFRS 9 and MFRS 7: *Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 1, MFRS 7, MRFS 9, MFRS 10 and MFRS107: *Annual improvements to MFRS Accounting Standards - Volume 11*	1 January 2026
Amendments to MFRS 9 and MFRS 7: *Contracts Referencing Nature-dependent Electricity*	1 January 2026
MFRS 18: *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19: *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19: *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121: *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

A2. Auditors' Report on the Preceding Annual Financial Statements

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

A3. Seasonality or Cyclicality Factors

The Group's operations are not subject to any significant seasonal or cyclical factors.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the quarter under review.

A5. Material Change in Estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

A6. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review.

A7. Dividend Paid

There was no dividend paid during the quarter under review.

A8. Segmental Reporting

(a) Primary reporting format - business segment

	Investment holding RM'000	Construction RM'000	Others RM'000	Group RM'000
Current Quarter				
As at 31 Dec 2025				
Revenue				
- sales to external parties	-	41,056	-	41,056
Segment results	(541)	3,598	(408)	2,649
Finance costs				(2,091)
Profit before taxation				558
Preceding Quarter				
As at 30 Sep 2025				
Revenue				
- sales to external parties	-	45,001	-	45,001
Segment results	(2,173)	4,599	(19)	2,407
Finance costs				(902)
Profit before taxation				1,505
Preceding Year Corresponding Quarter				
As at 31 Dec 2024				
Revenue				
- sales to external parties	-	39,751	-	39,751
Segment results	(2,476)	6,204	(1,462)	2,266
Finance costs				(480)
Profit before taxation				1,786

(b) Secondary reporting format – geographical segment

Geographical segment information is not applicable as the operations of the Group are substantially carried out in Malaysia.

A9. Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment since the previous audited financial statements.

A10. Material Events Subsequent to the End of the Quarter Under Review

There was no material event subsequent to the end of the quarter that require disclosure or adjustments to the unaudited interim financial statements.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

A13. Capital Commitments

There were no material capital commitments during the quarter under review.

A14. Related Party Transactions

Significant transactions between the Group and related parties are as follows:

	Individual Quarter ended		Cumulative Quarter ended	
	31 Dec 2025 RM'000	31 Dec 2024 RM'000	31 Dec 2025 RM'000	31 Dec 2024 RM'000
Related parties				
- Interest charges	800	-	840	-
- Management fees	22	22	88	87
- Purchase of materials	4,476	13,828	47,274	45,634
- Rental of premises	76	78	304	185
- Construction services	(14,145)	(17,286)	(51,806)	(49,919)
- Rental income	(25)	-	(100)	-
	=========	=========	=========	=========

The Directors are of the opinion that all the above transactions have been entered into the normal course of business and have been established on negotiated terms which the Directors are satisfied as not being detrimental to the Group and the Company.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Group's Results for the Quarter Ended 31 December 2025

Quarter Ended 31 December 2025 compared to Quarter Ended 31 December 2024

	3 months ended 31 Dec 2025 RM'000	3 months ended 31 Dec 2024 RM'000	Changes RM'000	%
Revenue				
- Construction	41,056	39,751	1,305	3.28
Profit/(Loss) before tax				
- Investment holding	(992)	(2,499)	1,507	(60.30)
- Construction	1,958	5,747	(3,789)	(65.93)
- Others	(408)	(1,462)	1,054	(72.09)
	558	1,786	(1,228)	(68.76)

For the quarter under review, the Group recorded higher revenue of RM41.06 million compared to RM39.75 million in the corresponding quarter of the previous year. This increase was due to the contribution from the newly acquired Concrete Empire Sdn. Bhd. ("CESB") Group, partially offset by lower revenue from Transnational Builder Sdn. Bhd. ("TBSB") due to slower progress of certain projects.

The Group recorded a profit before tax ("PBT") of RM0.56 million for the current quarter, compared to RM1.79 million in the same quarter last year. The decrease in PBT was mainly attributable to higher finance expenses arising from additional financing facilities for working capital coupled with marginal drop in gross profit margin due to higher material costs during the quarter.

B1. Review of Group's Results for the Quarter Ended 31 December 2025 - CONTINUED

Twelve Months Ended 31 December 2025 compared to Twelve Months Ended 31 December 2024

	12 months ended 31 Dec 2025 RM'000	12 months ended 31 Dec 2024 RM'000	Changes RM'000	%
Revenue				
- Construction	179,217	183,582	(4,365)	(2.38)
- Others	-	1,718	(1,718)	(100.00)
	179,217	185,300	(6,083)	(3.28)
Profit/(Loss) before tax				
- Investment holding	(8,191)	(7,011)	(1,180)	16.83
- Construction	15,700	21,838	(6,138)	(28.11)
- Others	(460)	(1,279)	819	(64.03)
	7,049	13,548	(6,449)	(47.97)

For the financial year ended 31 December 2025, the Group recorded a lower revenue of RM179.22 million, compared to RM185.30 million in the preceding financial year. The higher revenue in preceding year was mainly attributable to higher work done percentage due to completion of several construction projects. In contrast, the current financial year reflected slower work progress in certain ongoing projects, partially mitigated by the contribution from CESB group. Additionally, the reduced revenue from the others segment was attributable by the cessation of the stage bus business.

The Group's PBT decreased to RM7.05 million for the financial year ended 31 December 2025, primarily due to lower revenue contribution from TBSB, higher finance expenses arising from additional financing facilities for working capital and a loss on remeasurement of deferred receivables.

B2. Variation of Results Against Preceding Quarter

	3 months ended 31 Dec 2025 RM'000	3 months ended 30 Sep 2025 RM'000	Changes RM'000	Changes %
Revenue				
- Construction	41,056	45,001	(3,945)	(8.77)
	=========	=========		
Profit/(Loss) before tax				
Investment holding	(992)	(2,379)	1,387	(58.30)
Construction	1,958	3,903	(1,945)	(49.83)
Others	(408)	(19)	(389)	2,047.37
	----------------	----------------		
	558	1,505	(947)	(62.92)
	=========	=========		

In the current quarter, the Group recorded a decrease in revenue to RM41.06 million, compared to RM45.00 million in the immediate preceding quarter. The decrease was mainly driven by lower work progress in certain ongoing projects.

Consistently, the Group's PBT decreased by RM0.95 million compared to the immediate preceding quarter, mainly due to a loss on remeasurement of deferred receivables and increase in finance expenses due to additional financing facilities for working capital.

B3. Prospects of the Group

According to the Department of Statistics Malaysia, Malaysia's economy for 2025 grew by 4.9%, slightly lower than 5.1% in 2024 with the construction sector expanding 12.4%, driven by stronger performance in specialised construction activities and non-residential buildings. The construction sector is expected to record strong medium-term growth, with industry estimates projecting a compound annual growth rate of approximately 8.7% for the 2026 - 2031 period, supported by initiatives under the 13th Malaysia Plan, expansion of data centre developments, and major infrastructure projects.

Based on National Property Information Centre, the Malaysian property market remained generally stable, with transaction values showing improvement while transaction volumes moderated. House price growth was marginal at around 0.1% year-on-year as at Q3 2025, indicating a stable but cautious market environment. In parallel, the property sector is anticipated to experience a selective recovery, with residential property prices forecast to increase by approximately 2.5% to 5% in 2026, driven by demand for sustainable developments and supported by government initiatives such as the Housing Credit Guarantee Scheme.

The Group has also expanded into the property development segment through a joint development agreement with NCT Alliance Berhad for a residential development in Batang Kali, Selangor. This diversification is expected to complement the Group's construction expertise and generate operational synergies in cost efficiency, project delivery and quality control, while broadening its earnings base and its property development segment is expected to contribute to the earnings of the Group in the near future.

As of the current quarter, the Group's construction outstanding order book stands at RM745 million. Moving forward, the Group remains focused on securing additional construction contracts to replenish and expand its order book, in line with its strategy to drive sustainable growth.

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Explanation Note on Profit Forecast

Not Applicable.

B6. Income Tax Expense

Tax expense comprises of the followings:

	Individual Quarter ended		Cumulative Quarter ended	
	31 Dec 2025 RM'000	31 Dec 2024 RM'000	31 Dec 2025 RM'000	31 Dec 2024 RM'000
Current tax expense:				
- for the financial period	292	1,657	2,653	4,772
- under provision in the previous year	-	-	24	28
	292	1,657	2,677	4,800
Deferred tax expense:				
- origination of temporary differences	232	(581)	(199)	(581)
- under provision in the previous year	-	(22)	109	(22)
	232	(603)	(90)	(603)
	524	1,054	2,587	4,197

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial period.

B7. Sale of Unquoted Investments, or Properties

There was no material disposal of unquoted investments, or properties during the quarter.

B8. Purchase or Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter.

B9. Corporate Proposals

On 30 September 2025, the Group announced a Proposed Joint Development and Proposed Diversification into property development ("Proposals"). Through its wholly-owned subsidiary, Epicon Land Sdn. Bhd., the Group entered into a conditional Joint Development Agreement with NCT Noble Sdn Bhd to develop single-storey terrace houses on approximately 72.14 acres in Batang Kali, Selangor.

The project is a strategic expansion of the Group's business, leveraging its construction expertise to enter the property development sector. The Group's initial commitment is approximately RM6.6 million, with subsequent payments to be made progressively over the development period. The project is expected to commence in Q4 2026 and complete by Q4 2029.

The Company has obtained shareholders' approval for the Proposals at the Extraordinary General Meeting on 23 December 2025. Accordingly, the Proposed Diversification is completed whereas the Proposed Joint Development is pending fulfilment of conditions precedent prior to completion.

B10. Borrowings (Secured)

The Group's borrowings as at the end of the reporting period is as follows:

	Unaudited 31 Dec 2025 RM'000	**Audited** 31 Dec 2024 RM'000
Long-term borrowings:		
Term loans	11,140	1,465
	11,140	1,465
Short-term borrowings:		
Trade financing	34,533	14,861
Revolving credit	35,533	17,507
Term loans	2,893	207
	72,959	32,575
	84,099	34,040

B11. Off Balance Sheet Financial Instruments

There were no off-balance sheet financial instruments as at the date of this report.

B12. Material Litigation

(a) High Court of Malaya at Kuala Lumpur; Civil Suit No.: WA-22NCC-718-10/2025

Writ and Statement of Claim in relation to a dispute arising from a settlement agreement dated 4 July 2016 entered into between Tan Chong Industrial Equipment Sdn Bhd ("Plaintiff") and Transnasional Express Sdn Bhd, Plusliner Sdn Bhd, Syarikat Kenderaan Melayu Kelantan Berhad, Syarikat Rembau Tampin Sdn Bhd, Kenderaan Langkasuka Sdn Bhd (1st to 5th Defendants") and EPICON (formerly known as Konsortium Transnasional Berhad) (6thb Defendant") ("Settlement Agreement")

On 30 September 2025, the Company received a Letter of Demand from Messrs Shook Lin & Bok on behalf of Tan Chong Industrial Equipment Sdn Bhd ("TCIE"), demanding RM26,154,635.21 from Epicon Berhad and certain former subsidiaries in relation to a Settlement Agreement.

The Group does not acknowledge and denies the claim in its entirety and has sought legal advice.

On 30 October 2025, the Company's solicitors were served with a sealed Writ and Statement of Claim, both dated 24 October 2025 ("**Writ**" and "**Statement of Claim**"), wherein Epicon Berhad is named as the 6th Defendant.

The Company has filed its Statement of Defence to the Writ on 27 November 2025 in response to the Plaintiff's Statement of Claim dated 24 October 2025.

The Plaintiff served a Notice of Application for Summary Judgement on 27 November 2025 ("**Summary Judgement Application**"). The Company filed a Notice of Application to strike out the Writ of Statement of Claim on 28 November 2025 ("**Strike-Out Application**"). Both the Summary Judgement and Strike-Out Applications are scheduled to be heard together on 15 April 2026.

It is pertinent to note that the 1st to 5th Defendants are no longer subsidiaries of the Company, following the disposal of the Company's interests in these entities to Nadicorp Holdings Sdn Bhd **("Nadicorp")** on 16 August 2023. Prior to the disposal, Nadicorp had provided a Letter of Indemnity dated 13 October 2021 **("LOI")**, under which it agreed to indemnify the Group in respect of debts incurred by the Group, excluding certain obligations of TBSB, up to the completion of a Proposed Regularisation Plan undertaken by the Group, which was completed on 24 August 2023.

In light of the LOI, the Company has applied for leave to issue a third-party notice for the inclusion of Nadicorp as a party to the proceeding, for the purpose of the indemnity and/or contribution, should the Company be found liable to the Plaintiff's claim. This application is fixed for hearing on 18 March 2026.

At this stage, the Company does not expect any material financial or operational impact and will make further announcements should there be significant developments.

B12. Material Litigation - Continued

(b) Adjudication Claim 1 by Transnational Builder Sdn. Bhd. ("TBSB"), a wholly-owned subsidiary of the Company against Everprima Construction Sdn. Bhd. ("ECSB")

On 23 June 2025, TBSB served an Adjudication Claim under Section 9 of the Construction Industry Payment & Adjudication Act 2012 ("CIPAA 2012") against ECSB for a sum of RM6.98 million in relation to outstanding payments for completed construction works under a project in Melaka. The adjudication claim includes the final progress claim and retention sum due to TBSB.

Pursuant to the Adjudicator's Decision on 29 August 2025:

1) ECSB is required to pay TBSB's claim of RM5,646,576.63 by 17 September 2025, failing which interest at 5% per annum will accrue from 28 March 2025 until full settlement.

2) ECSB is also required to pay costs of RM91,102.00 by 17 September 2025, with interest at 5% per annum accruing from 17 September 2025 if payment is delayed.

(c) Adjudication Claim 2 by Transnational Builder Sdn. Bhd. ("TBSB"), a wholly-owned subsidiary of the Company against Everprima Construction Sdn. Bhd. ("ECSB")

On 26 June 2025, TBSB served an Adjudication Claim under Section 9 of the Construction Industry Payment & Adjudication Act 2012 ("CIPAA 2012") against ECSB for a sum of RM0.87 million in relation to outstanding payments for completed construction works under a project in Melaka. The adjudication claim includes the final progress claim and retention sum due to TBSB.

Pursuant to the Adjudicator's Decision on 24 September 2025:

1) ECSB is required to pay the adjudicated amount of RM345,741.88 by 7 October 2025;

2) ECSB shall pay interest at 5% per annum on the amounts due from the respective dates until full settlement; and

3) ECSB shall pay adjudication costs of RM73,684.59 by 7 October 2025.

In relation to items (b) and (c), TBSB and ECSB are in the midst of discussion and negotiation on the settlement plan of the adjudication sum.

B13. Dividend Proposed

There was no dividend declared or proposed by the Company during the quarter under review.

B14. Earnings per Share (EPS)

Basic

	Individual Quarter ended		Cumulative Quarter ended	
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Profit after tax attributable to ordinary shareholders (RM'000)	34	732	4,462	9,351
Weighted average number of ordinary shares in issue ('000)	627,464	594,798	624,242	594,798
Basic EPS (Sen)	0.01	0.12	0.71	1.57

Diluted

	Individual Quarter ended		Cumulative Quarter ended	
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Profit after tax attributable to ordinary shareholders (RM'000)	34	732	4,462	9,351
Weighted average number of ordinary shares in issue ('000)	627,464	594,798	624,242	594,798
Weighted average number of new ordinary shares, assumption on conversion of the remaining:- - RCPS ('000)	233,000	233,000	233,000	233,000
	860,464	827,798	857,242	827,798
Diluted EPS (Sen)	0.00	0.09	0.52	1.13

B15. Notes to the Statement of Comprehensive Income

	Individual Quarter ended		Cumulative Quarter ended	
	31 Dec 2025 RM'000	31 Dec 2024 RM'000	31 Dec 2025 RM'000	31 Dec 2024 RM'000
Profit before tax is arrived at after crediting:				
Bargain purchase	-	-	(85)	-
Fair value gain on derivatives	(1,956)	-	(1,829)	-
Loss/(Gain) on disposal of property, plant and equipment	-	(24)	117	(423)
Gain on lease termination	-	(17)	(1)	(18)
Interest income	(321)	(342)	(413)	(657)
Rental income	(25)	-	(100)	(805)
and after charging:				
Depreciation of property plant and equipment	525	170	1,950	485
Depreciation of right-of-use asset	109	63	439	133
Finance cost	2,091	480	4,316	1,319
Impairment losses/(Reversal of impairment losses) on:				
- trade receivables	(154)	946	2,720	946
- other receivables	400	59	400	59
- contract assets	(366)	3,089	(1,819)	3,089
Loss on remeasurement of deferred:				
- trade receivables	1,920	-	1,920	-
- other receivables	32	37	32	37
Property, plant and equipment written off	15	12	15	12
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B16. Authorised for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors on 26 February 2026.