ERDASAN GROUP BERHAD

[REGISTRATION NO. 200401006297 (644800-X)]
(INCORPORATED IN MALAYSIA)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2026

Unaudited Condensed Consolidated Statements of Financial Position
As At 31 March 2026

	(Unaudited) As At 31.03.2026 RM '000	(Audited) As At 30.09.2025 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	36,214	40,484
Right-of-use assets	17,858	18,463
Investment properties	67,400	67,400
Marketable securities	24,322	20,650
	145,794	146,997
Current assets		
Inventories	3,056	5,703
Trade receivables	12,335	13,043
Other receivables, deposits and prepayments	3,583	2,584
Tax assets	44	127
Money market instruments	14,725	14,755
Cash and bank balances	6,312	3,889
	40,055	40,101
TOTAL ASSETS	185,849	187,098
EQUITY AND LIABILITIES		
Equity		
Share capital	128,423	128,423
Revaluation reserve	28,750	28,750
Fair value adjustment reserve	(15,851)	(16,354)
Retained earnings	9,986	7,013
Total equity	151,308	147,832
Liabilities		
Non-current liabilities		
Deferred tax liabilities	4,416	4,416
Finance lease payables	819	1,396
Lease liabilities	47	64
Bank borrowings	1,835	2,499
	7,117	8,375
Current liabilities		
Trade payables	7,933	9,139
Other payables & deposits	16,723	19,297
Finance lease payables	1,288	1,433
Lease liabilities	34	33
Bank borrowings	1,446	989
	27,424	30,891
Total liabilities	34,541	39,266
TOTAL EQUITY AND LIABILITIES	185,849	187,098
Net assets per share (Sen)	66.13	64.61

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 September 2025 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 March 2026

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026 RM '000	**31.03.2025 RM '000**	**31.03.2026 RM '000**	**31.03.2025 RM '000**
Revenue	12,068	8,137	25,179	N/A
Cost of sales	(9,567)	(5,100)	(20,354)	N/A
Gross profit/(loss)	2,501	3,037	4,825	N/A
Other income	2,911	30,532	3,475	N/A
Administrative and general expenses	(2,250)	(2,257)	(4,480)	N/A
Selling and distribution expenses	-	-	-	N/A
	(2,250)	(2,257)	(4,480)	N/A
Net (loss)/gain on impairment financial instruments	-	(462)	-	N/A
Other expenses	234	(117)	(683)	N/A
Profit/(Loss) from operations	3,396	30,733	3,137	N/A
Finance costs	(78)	(111)	(164)	N/A
Share of profit/(loss) of associates	-	(1,822)	-	N/A
Profit/(Loss) before tax	3,318	28,800	2,973	N/A
Taxation	-	(3,037)	-	N/A
Profit/(Loss) for the period	3,318	25,763	2,973	N/A
Attributable to:-				
Owners of the Company	3,318	25,763	2,973	N/A
Non-controlling interests	-	-	-	N/A
	3,318	25,763	2,973	N/A
Earnings/(Loss) per share attributable to owners of the Company (sen) - Basic and diluted	1.45	11.26	1.30	N/A

Notes:

1. *The financial year end has been changed from 31 March to 30 September for the financial period 2025. The last audited financial statements were for 18 months ended 30 September 2025. As such, there are no comparative figures for the cumulative quarter ended 31 December 2025. Comparative figures for the comparative quarter ended are disclosed for reference purpose only.*

2. *The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period year 30 September 2025 and the accompanying explanatory notes attached to the interim financial report.*

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 March 2026

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026 RM '000	**31.03.2025 RM '000**	**31.03.2026 RM '000**	**31.03.2025 RM '000**
Profit/(Loss) for the period	3,318	25,763	2,973	N/A
Other comprehensive loss:-				
Item that will not be reclassified subsequently to profit or loss				
Revaluation increase on property plant and equipment	-	15,662	-	N/A
Net change in fair value of equity instrument designated at fair value through other comprehensive income ("FVOCI")	615	(2,537)	503	N/A
Item that may be reclassified subsequently to profit or loss				
Share of other comprehensive income/(loss) of associates	-	4		N/A
Total comprehensive (loss)/profit for the financial period	3,933	38,892	3,476	N/A
Attributable to:-				
Owners of the Company	3,933	38,892	3,476	N/A
Non-controlling interests	-	-	-	N/A
Total comprehensive (loss)/profit for the period	3,933	38,892	3,476	N/A

Notes:

1. *The financial year end has been changed from 31 March to 30 September for the financial period 2025. The last audited financial statements were for 18 months ended 30 September 2025. As such, there are no comparative figures for the cumulative quarter ended 31 December 2025. Comparative figures for the comparative quarter ended are disclosed for reference purpose only.*

2. *The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period year 30 September 2025 and the accompanying explanatory notes attached to the interim financial report.*

ERDASAN GROUP BERHAD
[Registration No. 200401006297 (644800-X)]

Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 March 2026

	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Fair Value Adjustment Reserve RM '000	Translation Reserve RM '000	Retained Earnings/ (Accumulated Losses) RM '000	Total Equity RM '000
<u>Unaudited</u>								
Comprehensive income								
At 1 October 2025	128,423.0	-	28,750	-	(16,354)	-	7,013	147,832
Profit/(Loss) for the financial period	-	-	-	-	-	-	2,973	2,973
Fair value on quoted investment at FVOCI	-	-	-	-	503	-	-	- 503
Total comprehensive income/(loss) for the period	-	-	-	-	503	-	2,973	3,476
Transactions with owners								
Share-based payments	-	-	-	-	-	-	-	-
Exercise of share options	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
At 31 December 2025	128,423	-	28,750	-	(15,851)	-	9,986	151,308

Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 March 2026

	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Fair Value Adjustment Reserve RM '000	Translation Reserve RM '000	Retained Earnings/ Accumulated Losses RM '000	Total Equity RM '000
Audited								
As at 1 April 2024, restated	487,943	-	1,763	9,262	(11,394)	(9)	(353,786)	133,779
Comprehensive income								
Profit/(Loss) for the financial period	-	-	-	-	-	-	(9,666)	(9,666)
Fair value on quoted investment at FVOCI	-	-	-	-	(4,960)	-	-	- (4,960)
Realisation of revaluation surplus upon depreciation	-	-	(16)	-	-	-	16	- -
Revaluation of lands and buildings	-	-	28,191	-	-	-	-	28,191
Release of reserve upon derecognition of associate	-	-	(1,188)	(1)	-	(60)	1,188	(61)
Share of other comprehensive income of associates	-	-	-	-	-	69	-	69
Total comprehensive income/(loss) for the period	-	-	26,987	(1)	(4,960)	9	(8,462)	13,573
Transactions with owners								
Share-based payments	-	12	-	-	-	-	-	12
Exercise of share options	480	(12)	-	-	-	-	-	468
Expiry of Warrants C	-	-	-	(9,261)	-	-	9,261	-
Reduction on capital	(360,000)	-	-	-	-	-	360,000	-
Total transactions with owners	(359,520)	-	-	(9,261)	-	-	369,261	480
At 30 September 2025	128,423	-	28,750	-	(16,354)	-	7,013	147,832

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 September 2025 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Cash Flows
For 6 Months Ended 31 March 2026

	Current Period To-Date 31.03.2026 (Unaudited) RM'000
Cash flows from operating activities	
Profit/(Loss) before tax	2,973
Adjustments for :-	
(Gain)/Loss on disposal of property, plant & equipment	376
Fair value loss/(gain) on investment in quoted shares	(2,292)
Other non-cash and non-operating items	2,443
Operating profit/(loss) before working capital changes	3,501
Decrease/(Increase) in inventories	2,646
(Increase)/Decrease in receivables	(214)
Increase/(Decrease) in payables	(3,779)
Cash generated/(used in) from operations	2,154
Net (tax paid)/tax refund	84
Net cash from/(used in) operating activities	**2,238**
Cash flows from investing activities	
Interest received	2
Investment in quoted shares	(877)
Proceeds from disposal of property, plant and equipment	2,223
Purchase of property, plant and equipment	(42)
Net cash from/(used in) investing activities	**1,306**

Unaudited Condensed Consolidated Statements of Cash Flows
For 6 Months Ended 31 March 2026

	Current Period To-Date 31.03.2026 (Unaudited) RM'000
Cash flows from financing activities	
Interest paid	(164)
Net (repayments)/drawdown of finance lease payables	(739)
Net repayment of term loans	(397)
Net cash (used in)/from financing activities	**(1,300)**
Effects of exchange rate changes on cash and cash equivalents	(41)
Net increase/(decrease) in cash and cash equivalents	2,203
Cash and cash equivalents brought forward	17,933
Cash and cash equivalents carried forward	20,136
Represented by:-	
Placement of deposits with bank	711
Cash and bank balances	5,601
Money market instruments	14,725
Bank overdraft	(190)
	20,847
Less: Deposits pledged with bank	(711)
	20,136

Notes:

1. *The financial year end has been changed from 31 March to 30 September for the financial period 2025. The last audited financial statements were for 18 months ended 30 September 2025. As such, there are no comparative figures for the cumulative quarter ended 31 December 2025.*

2. *The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30 September 2025 and the accompanying explanatory notes attached to the interim financial report.*

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ("MFRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB"), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial period ended 30 September 2025. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 September 2025.

The financial year end of the Group has been changed from 31 March 2025 to 30 September 2025. As such, there is no comparative financial information available for the preceding year corresponding period.

A2) Changes in Accounting Policies

Adoption of MFRSs, Amendments to MFRSs and IC Interpretations

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 30 September 2025.

Standards in issue but not yet effective

As at the date of authorisation of this interim financial report, the following new MFRS and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group:-

MFRSs/Amendments to MFRSs	**Effective for annual periods beginning on or after**
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRSs Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

A2) Changes in Accounting Policies Information (Cont'd)

Standards in issue but not yet effective (cont'd)

As at the date of authorisation of this interim financial report, the following new MFRS and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group:- (Cont'd)

MFRSs/Amendments to MFRSs	**Effective for annual periods beginning on or after**
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 until further noticed

The Group will adopt the above MFRS and amendments to MFRS when they become effective in the respective financial periods.

A3) Seasonal or Cyclical Factors

The Group sells its products and services to customers from various sub-sectors of the semiconductor and manufacturing industries. The Group's performance is, to certain extent, dependent on the outlook and cyclical nature of these semiconductor and manufacturing industries.

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

Save as disclosed elsewhere in the interim financial report, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current period under review.

A5) Material Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current period under review.

A6) Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review.

A7) Dividend Paid

There was no dividend paid in the current quarter under review.

A8) Valuation of Property, Plant and Equipment and Investment Properties

The carrying values of property, plant and equipment and investment properties have been brought forward, without amendment from the previous audited financial statements.

A9) Material Events Subsequent to the end of the Financial Period

Save as disclosed above and elsewhere in the interim financial report, there were no material events subsequent to the end of the financial period up to the date of this report.

A10) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial period-to-date.

A11) Contingent Liabilities or Contingent Assets

The Group has no material contingent liabilities save for the corporate guarantees provided by the Company to financial institutions for credit facilities, and to suppliers for credit terms granted to subsidiaries of up to a total limit of approximately RM21,337,000. Total utilisation of these credit facilities as at 31 March 2026 amounted to approximately RM5,388,000.

There were no material contingent assets as at the date of this report.

A12) Capital Commitment

There were no capital commitments at the end of the financial quarter under review.

A13) Related Party Transactions

There were no material related party transactions during the current financial quarter under review.

A14) Fair Value Measurements

(a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

Level 1 : Quoted price in active markets for identical assets or liabilities.
Level 2 : Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability.
Level 3 : Inputs for the asset or liability that are not based on observable market data.

(b) The following table provides the fair value measurement hierarchy of the Group's financial instruments:-

	<--Fair value of financial instruments--> carried at fair value				Carrying
	Level 1	Level 2	Level 3	Total	amount
	RM'000	RM'000	RM'000	RM'000	RM'000
Group - 31.03.2026					
Financial assets at fair value through profit or loss					
- Quoted investments	13,027	-	-	13,027	13,027
	13,027	-	-	13,027	13,027
Financial assets at fair value through other comprehensive income					
- Quoted investments	11,295	-	-	11,295	11,295
	11,295	-	-	11,295	11,295

A15) Revenue

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026 RM '000	31.03.2025 RM '000	31.03.2026 RM '000	31.03.2025 RM '000
Fabrication & Automation	11,982	7,971	24,954	N/A
Solar renewable energy	87	166	226	N/A
	12,068	8,137	25,179	N/A
Goods or services transferred:				
- at a point in time	12,068	8,137	25,179	N/A
- over time	-	-	-	N/A
	12,068	8,137	25,179	N/A

A16) Segmental Information

The segmental information of the Group is presented by operating segments as follows:-

(a) **Fabrication and automation** – Fabrication of industrial & engineering parts and sheet metal; Design and manufacturing of industrial automation systems and machinery;

(b) **Renewable energy and property** – Renewable energy operator; Property letting; Glove facilities;

(c) **Others** – Investment holding and provision of management services to subsidiaries, neither which are of a sufficient size to be reported separately.

A16) Segmental Information (Cont'd)

Cumulative Period Ended 31.03.2026

	Fabrication and automation RM '000	Renewable energy and property RM '000	Others RM '000	Adjustment & Eliminations RM '000	Total RM '000
Revenue					
External revenue	24,953	226	-	-	25,179
Inter-segment revenue	-	-	-	-	-
Total revenue	24,953	226	-	-	25,179
Results					
Interest income	3	-	-	-	3
Finance costs	(162)	(2)	-	-	(164)
Share of profit/(loss) of associates	-	-	-	-	-
Segment profit/(loss) before tax	4,385	(579)	(833)	-	2,973
Taxation	-	-	-	-	-
Segment profit/(loss) after tax	4,385	(579)	(833)	-	2,973
Other material non-cash items:					
- Depreciation	(1,271)	(1,016)	(30)	-	(2,317)
- Unrealised gain/(loss) on foreign exchange	64	-	(29)	-	35
- Fair value gain/(loss) on quoted shares	2,292	-	-	-	2,292
- Loss on disposal of property, plant & equipment	-	(376)	-	-	(376)

B1) Review of Performance

Individual Period (Quarter 2)	Current Quarter	Preceding Year Corresponding Quarter	Changes	
	31.03.2026 RM '000	31.03.2025 RM '000	RM '000	%
Revenue				
Fabrication and automation	11,982	7,971	4,011	50
Renewable energy and property letting	86	166	(80)	(48)
	12,068	8,137	3,931	48
Profit/(Loss) before tax				
Fabrication and automation	3,544	1,462	2,082	(142)
Renewable energy and property letting	(84)	29,688	(29,772)	100
Others	(142)	(2,350)	2,208	94
	3,318	28,800	(25,482)	88

Current Quarter

The Group posted revenue of RM12.07 million for the current quarter ended 31 March 2026, representing a significant increase of 48% as compared to RM8.14 million recorded in the corresponding quarter ended 31 March 2025. The increase in revenue was mainly attributable to higher revenue in fabrication and automation segment, which saw a significant increase of RM4.01 million on the back of higher number of orders from contract manufacturers, textile machines maker and hard disc manufacturers. Meanwhile, sale of solar energy to Tenaga Nasional Berhad were down from RM0.16 million to RM0.09 million in the current quarter following the disposal of one of the Group's solar plants.

The Group posted pre-tax profit of RM3.32 million for the current quarter, a decrease of RM25.48 million compared to pre-tax profit of RM28.80 million in the same quarter last year. Fabrication and automation segment registered a pre-tax profit of RM3.54 million for the current quarter, an increase of RM2.08 million compared to pre-tax profit of RM1.46 million recorded in the corresponding quarter. The improved performance was mainly due to a fair value gain on share investments of RM2.29 million, partially offset by compressed margins arising from higher direct material costs.

B1) Review of Performance (Cont'd)

Current Quarter (cont'd)

Renewable energy and property letting segments reported a pre-tax loss of RM0.08 million for the current quarter, compared to a pre-tax profit of RM29.69 million in the corresponding quarter. Lower pre-tax loss was mainly attributable to the absence of fair value gain on investment properties recognised in the corresponding quarter, partially mitigated by lower depreciation charges recorded in the current quarter.

Other segment reported a pre-tax loss of RM0.14 million for the current quarter, compared to a pre-tax loss of RM2.35 million in the corresponding quarter. Lower pre-tax loss was mainly attributable to the absence of share of losses from associates of RM1.82 million in the corresponding quarter.

B2) Material Change in the Profit before Taxation of Current Period Compared with the Immediate Preceding Period

	Current Quarter	Immediate Preceeding Quarter	Changes	
	31.03.2026 RM '000	31.12.2025 RM '000	RM '000	%
Revenue				
Fabrication and automation	11,982	12,972	(990)	(8)
Renewable energy and property letting	86	139	(53)	(38)
Others	-	-	-	-
	12,068	13,111	(1,043)	(8)
Profit/(Loss) before tax				
Fabrication and automation	3,544	842	2,702	321
Renewable energy and property letting	(84)	(495)	411	83
Others	(142)	(692)	550	79
	3,318	(345)	3,663	1,062

B2) Material Change in the Profit before Taxation of Current Period Compared with the Immediate Preceding Period (Cont'd)

Q2 FY2026 vs Q1 FY2026

The Group posted revenue of RM12.07 million for the current quarter ended 31 March 2026, representing a decrease of RM1.04 million as compared to RM13.11 million recorded in the preceding quarter ended 31 December 2025. Fabrication and automation segment reported lower sales mainly due to lower orders from hard disc manufacturers and textile machines maker, partially offset by higher orders from contract manufacturers. Meanwhile, sales of solar energy to Tenaga Nasional Berhad were down from RM0.14 million to RM0.09 million in the current quarter following the disposal of one of the Group's solar plants.

The Group recorded pre-tax profit of RM3.32 million for the current quarter as compared pre-tax loss of RM0.35 million recorded in the preceding quarter. Fabrication and automation segment registered a pre-tax profit of RM3.54 million for the current quarter, mainly attributable to enhanced profit margins, coupled with a fair value gain on share investments of RM2.29 million during the quarter.

Renewable energy and property letting segment reported a pre-tax loss of RM0.08 million, representing a reduction of RM0.41 million compared to the pre-tax loss of RM0.49 million recorded in the preceding quarter. Lower pre-tax loss was mainly due to absence of loss on disposal of solar plant of RM0.38 million.

Other segment reported lower pre-tax loss of RM0.14 million as compared to pre-tax loss of RM0.69 million recorded in the preceding quarter. The improvement was mainly attributable to an unrealised foreign exchange gain of RM0.33 million (versus an unrealised loss of RM0.36 million in Q1 FY2026), coupled with lower operating expenses incurred during the quarter.

B3) Prospects

Malaysia's economy is projected to maintain a steady growth trajectory in 2026, with gross domestic product expected to expand between 4.0% and 4.7%. This growth is underpinned by resilient domestic demand and sustained investment activities.

The manufacturing sector is anticipated to remain a key growth driver, particularly the Electrical and Electronics ("E&E") segment, which is currently experiencing a robust upcycle supported by strong global semiconductor demand, advancements in artificial intelligence, cloud computing and electric vehicle technologies. Continued inflows of foreign direct investments into high-value manufacturing and technology-related industries are expected to further strengthen Malaysia's position within the regional supply chain.

As at to-date, backlog orders stood at RM15.84 million, providing reasonable earnings visibility for the coming quarters. The segment continues to secure orders from customers within export-oriented and semiconductor-related industries, contributing to a steady inflow of projects and reinforcing the Group's positioning within the local supply chain ecosystem.

Nevertheless, the operating environment remains subject to external uncertainties, including global trade fragmentation, protectionist policies (such as U.S. tariffs) and geopolitical uncertainties, which may affect customers' capital expenditure plans.

Barring unforeseen circumstances, the Board remains cautiously optimistic that the Group's existing order book, active project pipeline and continued emphasis on operational efficiency, cost optimisation and prudent risk management will support its performance and sustainability in the near term.

B4) Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast.

B5) Qualification of Preceding Audited Financial Statements

The auditors' report on the Group's audited financial statements for the financial period ended 30 September 2025 was qualified.

As disclosed in Notes 31(b), 32 and 35(a) to the audited financial statements ended 30 September 2025, the Group identified certain prior years' restatements relating to payments that had previously been capitalised as property, plant and equipment ("PPE") of a subsidiary. These matters were identified following an internal review initiated in connection with an investigation by the relevant regulatory authority. Accordingly, the Group made retrospective adjustments to the consolidated financial statements in respect of the affected PPE balances as at 1 April 2023 and 31 March 2024.

The auditors were appointed during the financial period ended 30 September 2025. In accordance with International Standards on Auditing ("ISA") 510 *Initial Audit Engagements – Opening Balances*, the auditors are required to obtain sufficient appropriate audit evidence as to whether the opening balances contain misstatements.

However, the auditors were unable to obtain sufficient appropriate audit evidence in respect of the opening balances of PPE of the said subsidiary as at 1 April 2023 and 31 March 2024, amounting to RM62.0 million and RM28.0 million, respectively. This was due to certain accounting and financial records relating to the subsidiary for the relevant prior periods having been seized and retained by the regulatory authority as part of the ongoing investigation.

As at the date of the auditors' report, arrangements to review these documents were still in progress and the documents were not made available for audit purposes. Due to this limitation in the scope of audit, the auditors were unable to conclude whether the opening balances of PPE, and the related transactions and disclosures in the financial statements for the financial period ended 30 September 2025, including depreciation expenses, revaluation surplus and related deferred tax expenses, were free from material misstatement.

B6) Profit/(Loss) Before Tax

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026 RM '000	31.03.2025 RM '000	31.03.2026 RM '000	31.03.2025 RM '000
Included in the profit/(loss) before tax is after charging/(crediting):-				
Property, plant & equipment:-				
(i) Depreciation	812	1,355	1,712	N/A
(ii) Written off	-	6	-	N/A
(iii) (Reversal of impairment loss) /Impairment loss	-	-	-	N/A
(iv) (Gain)/Loss on disposal	(14)	12	376	N/A
Right-of-use assets:-				
(i) Depreciation	302	387	605	N/A
(ii) (Gain)/Loss on disposal	-	-	-	N/A
Fair value (gain)/loss on quoted shares	(2,292)	462	(2,292)	N/A
Fair value (gain) / loss on investment properties	-	30,352	-	N/A
(Reversal of)/Allowance for slow moving inventories	-	287	-	N/A
Rental income	(515)	(511)	(1,030)	N/A
Interest income	(2)	(23)	(3)	N/A
Interest expense	78	111	164	N/A
Rental expense of premises	28	29	56	N/A
Loss/(Gain) on foreign exchange:				
- realised	249	(84)	254	N/A
- unrealised	(547)	164	(35)	N/A

B7) Taxation

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026 RM '000	31.03.2025 RM '000	31.03.2026 RM '000	31.03.2025 RM '000
Corporate tax income/(expense)	-	-	-	N/A
Deferred tax income/(expense)	-	(3,037)	-	N/A
	-	(3,037)	-	N/A

The effective tax rate for current period is lower than the statutory income tax rate mainly due to losses suffered by the Company and certain subsidiaries as well as the availability of tax allowances to offset the taxable income of certain subsidiaries. Deferred tax expense was in relation to revaluation of investment properties in corresponding period.

B8) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B9) Material Litigation

Save as disclosed below, there were no material litigations involving the Group as at the date of this interim financial report and the directors of the Group do not have any knowledge of any proceeding pending or threatened involving the Group which might materially and adversely affect the financial position or business of the Group.

(i) On 21 March 2025, the Company announced that Erdasan Group Berhad and its wholly-owned subsidiary, AT Precision Tooling Sdn. Bhd. ("the Plaintiffs"), have commenced legal proceedings against Mak Siew Wei ("the Defendant") in the High Court of Shah Alam via Writ and Statement of Claim filed on 20 March 2025. The Plaintiffs claim that the Defendant had wrongfully caused the Plaintiffs to remit a total of RM46.47 million to various third parties without basis. The Plaintiffs are seeking, among others, the following reliefs:

1. A declaration that the Defendant has committed equitable frauds;
2. A declaration that the Defendant is a constructive trustee holding the total sum of RM46.47 million for and on behalf of the Plaintiffs;
3. That all assets and properties of the Defendant be traced and thereafter applied to discharge his indebtedness to the Plaintiffs amounting to the total sum of RM46.47 million;
4. Further and in the alternative, that the Defendant pays the total sum of RM46.47 million being special damages suffered by the Plaintiffs;
5. General damages to be assessed;
6. Exemplary damages;
7. Aggravated damages;
8. Judgment interest at the rate of 5% per annum from the date of judgment until full settlement;
9. Costs on a full indemnity basis against the Defendant; and
10. Any further relief the High Court deems fit and proper.

The matter is currently pending before the High Court and the Court has fixed further trial dates on 13 to 15 July 2027 and 27 to 29 July 2027.

B10) Borrowings and Debts Securities

	Non-Current RM '000	Current RM '000	Total RM '000
As At 31.03.2026			
Secured			
Finance lease payables	819	1,288	2,107
Term loans	1,835	1,446	3,281
	2,654	2,734	5,388
As At 30.09.2025			
Secured			
Finance lease payables	1,396	1,433	2,829
Term loans	2,499	989	3,488
	3,895	2,422	6,317

	31.03.2026 %	31.03.2025 %
The weighted average interest rate are as follows:		
Finance lease payables	3.19	3.21
Term loans	5.06	5.29
Proportion of borrowings between:		
Fixed interest rates	39%	46%
Floating interest rates	61%	54%

All the Group’s borrowings are denominated in RM.

B11) Dividend

There was no dividend declared or paid for the current period under review.

B12) Loss per Share

	Individual Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Profit/(Loss) attributable to the owners of the Company (RM'000)	3,318	25,763	2,973	N/A
Weighted average number of ordinary shares in issue ('000)	228,793	228,793	228,793	N/A
Earnings/(Loss) per share (sen)				
Basic and diluted	1.45	11.26	1.30	N/A

The diluted loss per share is equivalent to the basic loss per share as the Company does not have any dilutive potential ordinary shares during the financial period.

B13) Authorisation for Issue

The interim financial report was authorised for issue on 28 May 2026 by the Board of Directors.