HAILY GROUP BERHAD

(Registration No. 202001006412 (1362732-T))
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Fourth Quarter Ended
31 December 2025

Haily Group

Haily Group Berhad
202001006412 (1362732-T)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [(1)]

	Note	QUARTER ENDED 31.12.2025 Unaudited RM'000	QUARTER ENDED 31.12.2024 Unaudited RM'000	YEAR ENDED 31.12.2025 Unaudited RM'000	YEAR ENDED 31.12.2024 Audited RM'000
Revenue	A9	108,700	81,289	431,226	320,845
Cost of sales		(99,280)	(72,870)	(392,423)	(289,957)
Gross profit		**9,420**	**8,419**	**38,803**	**30,888**
Other income		287	333	659	688
Administrative expenses		(5,624)	(5,019)	(22,706)	(18,867)
Operating profit		**4,083**	**3,733**	**16,756**	**12,709**
Finance income		172	64	498	207
Finance costs		(98)	(218)	(584)	(646)
Profit before tax	B11	**4,157**	**3,579**	**16,670**	**12,270**
Income tax expense	B5	(1,268)	(1,109)	(5,126)	(3,611)
Profit for the financial period, representing total comprehensive income for the financial period		**2,889**	**2,470**	**11,544**	**8,659**
Profit attributable to:					
Owners of the Company		**2,889**	**2,470**	**11,544**	**8,659**
Total comprehensive income attributable to:					
Owners of the Company		**2,889**	**2,470**	**11,544**	**8,659**
Earnings Per Share attributable to owners of the Company (sen)					
- Basic and diluted	B10	**0.68**	**0.63**	**2.73**	**2.29**

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION [1]

	Note	As at 31.12.2025 Unaudited RM'000	As at 31.12.2024 Audited RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		10,152	9,527
Other investments		4,591	3,996
Total non-current assets		**14,743**	**13,523**
Current assets			
Current tax assets		8	2
Trade and other receivables		139,632	109,608
Contract assets		54,720	79,092
Cash and short-term deposits		51,884	30,198
Total current assets		**246,244**	**218,900**
TOTAL ASSETS		**260,987**	**232,423**
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		77,458	77,458
Reorganisation reserve		(40,030)	(40,030)
Retained earnings		79,588	70,921
TOTAL EQUITY		**117,016**	**108,349**
Non-current liabilities			
Borrowings	B7	4,247	3,508
Deferred tax liabilities		165	167
Total non-current liabilities		**4,412**	**3,675**
Current liabilities			
Borrowings	B7	1,969	10,343
Tax liabilities		1,892	1,095
Trade and other payables		135,181	108,736
Contract liabilities		517	225
Total current liabilities		**139,559**	**120,399**
TOTAL LIABILITIES		**143,971**	**124,074**
TOTAL EQUITY AND LIABILITIES		**260,987**	**232,423**
Net assets per ordinary share attributable to owners of the Company (RM) [2]		0.28	0.26

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION [1] (CONT'D)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per ordinary share is calculated based on the Company's issued share capital as at 31 December 2025 of 423,005,400 shares (31 December 2024: 423,005,400 shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [1]

	<--------------- Attributable to owners of the Company			--------------->
	Share capital	**Reorganisation reserve**	**Retained earnings**	**Total equity**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 January 2024 (Audited)	**61,255**	**(40,030)**	**64,691**	**85,916**
Total comprehensive income for the financial year				
Profit for the financial year, representing total comprehensive income for the financial year	-	-	8,659	8,659
Transactions with owners:				
Issuance of shares pursuant to:				
- private placement	8,221	-	-	8,221
- exercise of warrants	7,982	-	-	7,982
Dividends paid on shares	-	-	(2,429)	(2,429)
Total transactions with owners	16,203	-	(2,429)	13,774
At 31 December 2024 (Audited)	**77,458**	**(40,030)**	**70,921**	**108,349**
At 1 January 2025 (Audited)	**77,458**	**(40,030)**	**70,921**	**108,349**
Total comprehensive income for the financial period				
Profit for the financial period, representing total comprehensive income for the financial period	-	-	11,544	11,544
Transaction with owners:				
Dividends paid on shares	-	-	(2,877)	(2,877)
At 31 December 2025 (Unaudited)	**77,458**	**(40,030)**	**79,588**	**117,016**

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (1)

	CURRENT YEAR ENDED 31.12.2025 Unaudited RM'000	PRECEDING YEAR ENDED 31.12.2024 Audited RM'000
Cash flows from operating activities		
Profit before tax	16,670	12,270
Adjustments for:		
Depreciation of property, plant and equipment	3,412	3,060
Gain on disposal of property, plant and equipment	(182)	(107)
Loss on disposal of right-of-use assets	127	-
Fair value loss/(gain) of other investments	132	(100)
Interest income	(498)	(207)
Finance costs	584	646
Operating profit before changes in working capital	**20,245**	**15,562**
Changes in working capital:		
Trade and other receivables	(30,023)	(15,549)
Contract assets	24,147	(13,427)
Trade and other payables	26,444	18,036
Contract liabilities	517	210
Net cash from operations	**41,330**	**4,832**
Income tax paid	(4,339)	(3,607)
Income tax refund	2	-
Interest paid	(202)	(379)
Net cash from operating activities	**36,791**	**846**
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,464)	(2,271)
Proceeds from disposal of property, plant and equipment	834	110
Change in other investments	(727)	99
Change in pledge deposits	1,316	(2,263)
Interest received	498	207
Net cash used in investing activities	**(1,543)**	**(4,118)**
Cash flows from financing activities		
Proceeds from issuance of shares pursuant to:		
- private placement	-	8,221
- exercise of warrants	-	7,982
Payments of lease liabilities	(630)	(531)
Repayments of hire purchases	(878)	(556)
Repayment of revolving credit	(1,000)	-
Drawdown of term loans	988	-
Repayments of term loans	(501)	(345)
Dividends paid	(2,877)	(2,429)
Net cash (used in)/from financing activities	**(4,898)**	**12,342**
Net increase in cash and cash equivalents	**30,350**	**9,070**
Cash and cash equivalents at the beginning of the financial period	18,078	9,008
Cash and cash equivalents at the end of the financial period	**48,428**	**18,078**
Cash and cash equivalents at the end of the financial period comprises:		
Short-term deposits	3,456	4,772
Less: Pledged deposits	(3,456)	(4,772)
	-	-
Cash and bank balances	48,428	25,426
Bank overdrafts	-	(7,348)
	48,428	18,078

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS [1] (CONT'D)

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The unaudited interim financial report of Haily Group Berhad ("Haily" or "Company") and its subsidiaries ("Group") has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This unaudited interim financial report should be read in conjunction with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. Material Accounting Policies

The material accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the audited financial statements for the financial year ended 31 December 2024.

The Group has adopted the following amendments to MFRS for the current financial period:

Amendment to MFRS	
MFRS 121	The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendment to MFRS did not have any significant effect on the Group's interim financial report and did not result in significant changes to the Group's existing accounting policies.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Company for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

The Group's business operations have not been materially affected by any seasonal or cyclical factors.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Changes in Estimates

There were no material changes in estimates for the current quarter and financial year ended 31 December 2025.

A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING (CONT'D)

A7. Debt and Equity Securities

There were no issuances, repurchases or repayments of debts and equity securities in the current quarter and financial year ended 31 December 2025.

A8. Dividend Paid

Dividends paid by the Company since the end of the previous financial year to the date of this report are as follows: -

a) Second interim single tier dividend of 0.33 sen per ordinary share for the financial year ended 31 December 2024, amounted to RM1,395,917.78 computed based on 423,005,400 shares in issue was declared on 26 March 2025 and paid on 16 May 2025.

b) First interim single tier dividend of 0.35 sen per ordinary share for the financial year ending 31 December 2025, amounted to RM1,480,518.90 computed based on 423,005,400 shares in issue was declared on 28 August 2025 and paid on 17 October 2025.

A9. Dividend Proposed

There was no dividend proposed in respect of the current quarter.

A10. Segmental Information

The Group prepared the following segmental information based on the internal reports of the Group's strategic business units which are regularly reviewed by the directors for the purpose of making decision about resource allocation and performance assessment. The 2 reportable operating segments are as follows: -

Segments	**Product and services**
Building construction	Building construction of residential and non-residential buildings.
Others	Comprises: (i) Civil engineering construction works, (ii) Rental of construction machinery and equipment, (iii) Agricultural activities of managing and harvesting of durian and other fruits, and (iv) Civil engineering services and infrastructure construction projects.

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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"): INTERIM FINANCIAL REPORTING (CONT'D)

A10. Segmental Information (Cont'd)

	QUARTER ENDED		YEAR ENDED	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Unaudited	Unaudited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Revenue:				
Revenue from external customers:				
Building construction	108,422	80,389	430,284	315,984
Others	278	900	942	4,861
	108,700	81,289	431,226	320,845
Inter-segment revenue:				
Building construction	-	-	-	-
Others	2,071	908	10,221	8,136
Adjustment and eliminations	(2,071)	(908)	(10,221)	(8,136)
	-	-	-	-
Total:				
Building construction	108,422	80,389	430,284	315,984
Others	2,349	1,808	11,163	12,997
Adjustment and eliminations	(2,071)	(908)	(10,221)	(8,136)
	108,700	81,289	431,226	320,845
Segment profit:				
Building construction	9,293	8,587	39,032	29,366
Others	127	(168)	(229)	1,522
	9,420	8,419	38,803	30,888
Other income	287	333	659	688
Unallocated expenses	(5,624)	(5,019)	(22,706)	(18,867)
Interest Income	172	64	498	207
Finance costs	(98)	(218)	(584)	(646)
Income tax expense	(1,268)	(1,109)	(5,126)	(3,611)
Profit for the financial period	2,889	2,470	11,544	8,659

A11. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter and financial year ended 31 December 2025.

A12. Material Subsequent Events

There were no material events subsequent to the end of the current quarter and financial year ended 31 December 2025 which has been reflected in this interim financial report as of the date of this report.

A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"): INTERIM FINANCIAL REPORTING (CONT'D)

A13. Changes in the Composition of the Group

On 6 February 2025, Haily Engineering Sdn Bhd ("Haily Engineering") was incorporated as a wholly-owned subsidiary of the Company with an issued share capital of RM2.00 comprising 2 ordinary shares, issued at RM1.00 each. In March 2025, Haily Engineering commenced its business in the provision of civil engineering services and infrastructure construction projects.

Save for the above, there was no change in the composition of the Group during the current quarter and financial year ended 31 December 2025.

A14. Contingent Assets and Contingent Liabilities

There were no contingent assets and contingent liabilities as at the end of the current quarter and financial year ended 31 December 2025.

A15. Significant Related Party Transaction

	QUARTER ENDED		YEAR ENDED	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	Unaudited	**Unaudited**	**Unaudited**	**Audited**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Rental expenses paid to the holding company	120	120	480	480

A16. Capital Commitments

There were no material capital commitments as at the end of the current quarter and financial year ended 31 December 2025.

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group Performance

	CURRENT QUARTER		Changes	YEAR ENDED		Changes
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	%	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	%
Revenue	108,700	81,289	33.72	431,226	320,845	34.40
Gross profit	9,420	8,419	11.89	38,803	30,888	25.62
Profit before tax	4,157	3,579	16.15	16,670	12,270	35.86
Profit after tax	2,889	2,470	16.96	11,544	8,659	33.32
Profit attributable to owners of the Company	2,889	2,470	16.96	11,544	8,659	33.32

The breakdown of the Group's revenue according to the relevant segments for the 4th quarter and financial year ended 31 December 2025 are as follows:

	CURRENT QUARTER		Changes	YEAR ENDED		Changes
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	%	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	%
Building construction	108,422	80,389	34.87	430,284	315,984	36.17
Others	278	900	(69.11)	942	4,861	(80.62)
Total	108,700	81,289	33.72	431,226	320,845	34.40

For the 4th quarter ended 31 December 2025, the Group reported a revenue of RM108.7 million, an increase of RM27.41 million or 33.72% as compared to RM81.29 million registered for the preceding year's corresponding quarter. The increase in revenue for the current quarter was contributed by the Group's building construction segment.

Meanwhile, revenue from the Group's Others segment decreased to RM0.28 million for the current quarter under review from RM0.90 million for the preceding year's corresponding quarter, due to the cessation of the agricultural activities undertaken by the Company's wholly owned subsidiary, Haily Capital Sdn. Bhd.

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group Performance (Cont'd)

The increase in revenue for the building construction segment was attributed to the increase in percentage of completion recognised in the quarter under review in relation to the Group's on-going construction projects, namely: -

(i) 332 DSTH Gelang Patah Project,
(ii) 171 DSLH Kews Senibong Project,
(iii) 223 DSTH M Tiara - Parcel 1A & 1B Project,
(iv) 393 DSTH Meridin East – Parcel 4A3, 4A4 & 4A5 Project,
(v) 368 DSTH M Tiara – Parcel 2A & 2B Project,
(vi) 206 DSTH Bandar Jaya Putra Project,
(vii) 198 DSCH Permas Jaya Project,
(viii) 168 DSTH Meridin East – Parcel 1B Project,
(ix) Summer Suites Service Apartment – Piling Work, and
(x) 136 DSTH Gelang Patah Project.

In addition, the increase in revenue was also due to ongoing building construction projects that commenced in the quarter under review. The projects which contributed to the revenue for the quarter under review are: -

(i) 45 Storey Summer Suites Service Apartment Project, and
(ii) 222 DSTH Meridin East – Parcel 1A Project.

The increase in revenue above was offset by the decrease in revenue due to the reduction in percentage of completion recognised in the quarter under review for the Group's on-going and completed building construction projects, namely: -

(i) 283 DSTH Meridin East – Parcel 1C Project,
(ii) 77 TSSO Bandar Jaya Putra Project,
(iii) 262 DSTH Gelang Patah Project,
(iv) 186 SSTH Bandar Putra Project,
(v) 170 DSCH Mutiara Maju Project,
(vi) 327 DSTH Meridin East – Parcel 2G Project,
(vii) 76 DSCH Taman Impian Emas Project,
(viii) 120 DSCH Bandar Putra Project,
(ix) 2 Show House Meridin East – Parcel 1A Project, and
(x) 220 DSTH Austin Senibong Project.

The Group's gross profit of RM9.42 million for the current quarter represented an increase of RM1.00 million or 11.89% as compared to the gross profit of RM8.42 million registered for the preceding year's corresponding quarter. This increase was due mainly to the higher revenue recorded in the current quarter.

Consequently, profit before tax and profit after tax of the Group for the current quarter improved to RM4.16 million and RM2.89 million respectively. This represents an increase of 16.15% and 16.96% respectively, as compared to the preceding year's corresponding quarter' profit before tax and profit after tax of the Group of RM3.58 million and RM2.47 million respectively.

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group Performance (Cont'd)

For the current financial year, the Group reported a revenue of RM431.23 million, representing an increase of RM110.38 million or 34.40% as compared to the revenue of RM320.85 million registered for the corresponding preceding financial year due to higher projects billings for work done in the current year.

In line with the higher revenue for the current financial year, the Group's gross profit showed an increase of RM7.92 million or 25.62% to RM38.80 million as compared to RM30.89 million registered for the corresponding preceding financial year.

Consequently, profit before tax for the current financial year showed an increase of RM4.40 million or 35.86% to RM16.67 million, as compared to RM12.27 million registered for the corresponding preceding financial year. Profit after tax for the current financial year was RM11.54 million, showing an increase of RM2.89 million or 33.32% as compared to RM8.66 million for the corresponding preceding financial year.

B2. Comparison with Immediate Preceding Quarter's Result

	QUARTER ENDED		**Changes**
	31.12.2025 Unaudited RM'000	**30.09.2025 Unaudited RM'000**	**%**
Revenue	108,700	115,773	(6.11)
Gross profit	9,420	10,090	(6.64)
Profit before tax	4,157	4,488	(7.38)
Profit after tax	2,889	3,158	(8.52)
Profit attributable to owners of the Company	2,889	3,158	(8.52)

The Group reported a revenue of RM108.70 million for the quarter under review, which is a decrease of RM7.07 million or 6.11% from the RM115.77 million registered for the immediate preceding quarter. The lower revenue in the current quarter was in line with the construction activities and progress of the Group's on-going projects.

The gross profit margin for the current and immediate quarter remained consistent at 8.67% and 8.72% respectively. The Group's gross profit for the current quarter decrease to RM9.42 million, representing a decrease of RM0.67 million or 6.64% as compared to RM10.09 million registered in the immediate preceding quarter.

The profit before tax and profit after tax of the Group of RM4.16 million and RM2.89 million respectively for the current quarter was lower compared to RM4.49 million and RM3.16 million for the immediate preceding quarter respectively, due to the lower revenue recorded for the current quarter.

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B3. Prospects

Malaysia's construction sector expanded by 12.5% in 2025 to reach 178.6 billion in work done value, while maintaining positive momentum in the 4th quarter with a 10.3% increase. The private sector remained the main driver of growth in this quarter, contributing RM29.3 billion or 63.2% of the total value of work done. Nearly 62.9% of the work done value was concentrated in Selangor, Johor, Sarawak and Wilayah Persekutuan (Kuala Lumpur, Putrajaya and Labuan). Johor ranked second with a value of RM8.3 billion or 17.9%.

Overall, Malaysia's construction sector continued to expand in 2025, supported by positive momentum across all sub-sectors, though at a more moderated pace than the previous year (*Source: Department of Statistics Malaysia's Quarterly Statistics, Fourth Quarter 2025)*.

Premised on the above outlook, the Group remains cautiously optimistic about the continuing demand for its building construction services for both residential and non-residential projects for the coming years.

The Group will continue to focus on its core competency in building construction in Johor, supported by its established track record of more than 18 years since the commencement of its business operations in 2008. While the Group's on-going projects are mainly focused in the districts of Johor Bahru, Kulai, Pontian and Kluang, all in Johor, the Group will continue to leverage on its experience and extend its reach to other districts in Johor and focus on construction projects involving residential, commercial and industrial buildings. The Group will continue to tender for projects located at other districts in Johor, should the opportunities arise.

Moving forward, the Group expects its performance to be continuously driven by its ability to successfully execute and timely complete its on-going construction projects.

B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B5. Income Tax Expense

	QUARTER ENDED		YEAR ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Current income tax				
- Current income tax charge	1,181	1,043	5,031	3,527
- Adjustment in respect of prior period/year	89	2	97	20
Deferred tax	(2)	64	(2)	64
Total income tax expense	**1,268**	**1,109**	**5,126**	**3,611**
Effective tax rate (1) (%)	30.50	30.99	30.75	29.43
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Note:

(1) The effective tax rate for the current quarter and financial year ended 31 December 2025 were higher than the statutory tax rate mainly due to adjustments for non-deductible expenses.

B6. Status of Corporate Proposals

There are no corporate proposals announced but not implemented as at the date of this report.

B7. Borrowings

The details of the Group's borrowings were as follows:

	As At 31.12.2025 Unaudited RM'000	As At 31.12.2024 Audited RM'000
Non-current:		
Lease liabilities	1,837	2,104
Hire purchase payables	1,203	565
Term loans	1,207	839
	4,247	3,508
Current:		
Lease liabilities	693	1,197
Hire purchase payables	776	521
Term loans	500	277
Revolving credit	-	1,000
Bank overdraft	-	7,348
	1,969	10,343
Total borrowings	**6,216**	**13,851**

All borrowings are secured and denominated in Ringgit Malaysia (RM).

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B8. Material Litigation

As at 19 February 2026 (being a date not earlier than 7 days from the date of issue of this report), there was no material litigation or arbitration by/against the Group, which has a material effect on the financial position of the Group and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividends

Dividends declared or proposed during the current quarter and financial year ended 31 December 2025 were as follows: -

	QUARTER ENDED		YEAR ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
First interim single tier dividend of 0.35 sen per ordinary share for the financial year ending 31 December 2025, declared on 28 August 2025 and paid on 17 October 2025	-	-	1,481	-
Second interim single tier dividend of 0.33 sen per ordinary share for the financial year ended 31 December 2024, declared on 26 March 2025 and paid on 16 May 2025	-	-	1,396	-
First interim single tier dividend of 0.31 sen per ordinary share for the financial year ending 31 December 2024, declared on 28 August 2024 and paid on 11 October 2024	-	-	-	1,216
Second interim single tier dividend of 0.68 sen per ordinary share for the financial year ended 31 December 2023, declared on 27 March 2024 and paid on 21 May 2024	-	-	-	1,213
	-	**-**	**2,877**	**2,429**

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B10. Earnings Per Share ("EPS")

The basic and diluted earnings per share for the current quarter and financial year ended 31 December 2025 are computed as follows:

	QUARTER ENDED		YEAR ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Profit attributable to ordinary equity holders of the Company (RM'000)	2,889	2,470	11,544	8,659
Weighted average number of ordinary shares for basic and diluted earnings per share ('000)	423,005	399,647	423,005	249,789
Basic and diluted earnings per share attributable to ordinary equity holders of the Company (sen)	0.68	0.62	2.73	3.47

Diluted earnings per share are not presented as the warrants are anti-dilutive where the average market price during the financial period does not exceed the exercise price of the warrants.

The weighted average number of ordinary shares in issue and EPS for the current quarter and financial year ended 31 December 2025 have been adjusted to reflect the bonus issue which was completed on 13 September 2024.

B11. Notes to the Unaudited Condensed Consolidated Statement of Comprehensive Income

Profit for the current quarter and financial year ended 31 December 2025 were arrived at after crediting/(charging) the following:

	QUARTER ENDED		YEAR ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Unaudited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Interest income	172	64	498	207
Gain on disposal of property, plant and equipment	121	107	182	107
Loss on disposal of right-of-use assets	(127)	-	(127)	-
Fair value (loss) / gain of other investments	(132)	100	(132)	100
Other income	166	126	477	481
Finance costs	(98)	(218)	(584)	(646)
Depreciation of property, plant and equipment	(829)	(918)	(3,412)	(3,060)

Other disclosure items pursuant to Appendix 9B, Note. 16 of the ACE Market Listing Requirements of Bursa Securities are not applicable.

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B12. Derivatives

The Group did not enter into any derivatives during the current quarter and financial year ended 31 December 2025.

B13. Authorisation for Issue

This interim financial report was authorised for issue by the Board in accordance with a resolution passed by the Board on 26 February 2026.

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