A. EXPLANATION NOTES

A1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared under the same accounting policies and methods of computation as those used in the preparation of the most recent audited financial statements and comply with MFRS 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 July 2025. 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 financial year ended 31 July 2025.

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 July 2025 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective for the financial periods beginning on 1 August 2025.

The adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations are not expected to have any significant financial impact on the financial statements of the Group.

A2. Qualified Audit Report

The auditors' report of the preceding annual financial statements was not qualified.

A3. Seasonal or Cyclical Factors

The principal business and performance of the Group were not significantly affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 October 2025.

A5. Changes in Estimates

There were no material changes in estimates that have had any material effect in the current quarter ended 31 October 2025.

A6. Debts and Equity Securities

Save as disclosed below, there were no issuances, repurchases and repayments of debt and equity securities during the quarter ended 31 October 2025.

The Company bought back from the open market 762,600 ordinary shares of the Company ("Jaycorp Shares") at an average buy-back price of RM0.405 per share. The total consideration paid, including transaction costs, was RM311,444 and it was financed by internally generated funds. The Jaycorp Shares bought back were being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 October 2025, the number of treasury shares held was 6,529,200 ordinary shares.

A7. Dividend Paid

There were no dividends paid for the quarter ended 31 October 2025.

A8. Segment Reporting

The segmental information of the Group for the financial year to-date 31 October 2025 was summarised as below:

	Investment Holding	Furniture	Packaging	Wood processing	Renewable Energy	Construction	Others	Consolidation Adjustments	Total
	RM'000								
Revenue									
External sales	-	23,935	7,758	1,846	3,035	1,050	139	-	37,763
Inter-Co sales	306	12	1,228	3,327	-	-	587	(5,460)	-
Total revenue	306	23,947	8,986	5,173	3,035	1,050	726	(5,460)	37,763
Results									
Segment result	(623)	1,184	309	(367)	373	(2,188)	20	(39)	(1,331)
Interest income	13	491	91	2	6	-	8	-	611
Finance costs	-	(46)	(42)	(14)	(26)	(58)	-	34	(152)
	(610)	1,629	358	(379)	353	(2,246)	28	(5)	(872)
Less: Share of profit of joint venture									616
Loss before tax									(256)
Assets	23,131	112,195	35,910	27,197	20,125	13,711	29,139	(28,161)	233,247
Add: Investment in joint venture									8,538
Total Assets									241,785
Total Liabilities	418	16,216	7,030	12,585	10,198	10,980	25,415	(28,489)	54,353

A8. Segment Reporting (cont'd)

Geographical segment

	Malaysia RM'000	Indonesia RM'000	Total RM'000
(Loss)/Profit before tax	(1,110)	854	(256)

The Group operates primarily in Malaysia, except for one of its joint venture companies whose principal activities include manufacturing and selling of finger jointed finished gesso coated and primed moulding products. This joint venture company operates in Medan, Indonesia.

A9. Valuation of Property, Plant and Equipment

There was no revaluation of properties of the Group in the current quarter ended 31 October 2025.

A10. Subsequent Events

There were no material events subsequent to the reporting period up to 5 December 2025 (latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), which have not been reflected, in the financial statements for the current quarter under review and financial year to-date.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring & discontinuing operations during the current quarter under review.

A12. Capital Commitments

Capital commitments at 31 October 2025 were as follows:

	RM'000
Property, plant and equipment	33,283

A13. Changes in Contingent Liabilities or Contingent Assets

a. Contingent Liabilities

	Company At 31 October 2025 RM'000
Unsecured	
Corporate guarantees in favour of bankers for providing banking facilities to subsidiaries and joint venture companies	102,386

b. Contingent Assets

There were no contingent assets since the last audited financial statements for the financial year ended 31 July 2025.

A14. Recurrent Related Party Transactions

Recurrent related party transactions occur within the normal course of business and the terms offered are no different to those offered to third parties. Recurrent related party transactions during the current quarter and financial year-to-date are summarised below:

Type of transactions:	Current Quarter RM'000	Financial year-to-date RM'000
– Rental income – factory building	620	620
– Sales of kitchen cabinet and bathroom vanity cabinet	16,779	16,779
– Sales of pine primed and gesso	7,264	7,264
– Subcontract work of furniture parts	165	165
– Purchase of furniture part, board material and hardware	2,039	2,039
– Rental payment – office building	22	22

SELECTED EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES:

B1. Review of Performance

Revenue	Current Quarter			Year To-date		
	Current Quarter	Preceding Year Corresponding Quarter	Changes	Current Year	Preceding Year	Changes
	2026 Q1	2025 Q1		2026 Q1	2025 Q1	
	RM'000	RM'000		RM'000	RM'000	
Investment holding	306	306	-	306	306	-
Furniture	23,947	30,778	-22.19%	23,947	30,778	-22.19%
Packaging	8,986	10,915	-17.67%	8,986	10,915	-17.67%
Wood processing	5,173	5,852	-11.60%	5,173	5,852	-11.60%
Renewable energy	3,035	3,469	-12.51%	3,035	3,469	-12.51%
Construction	1,050	2,524	-58.40%	1,050	2,524	-58.40%
Others	726	745	-2.55%	726	745	-2.55%
Consolidation adjustments	(5,460)	(6,322)		(5,460)	(6,322)	
Total	**37,763**	**48,267**	**-21.76%**	**37,763**	**48,267**	**-21.76%**

Profit/(Loss) Before Tax	Current Quarter			Year To-date		
	Current Quarter	Preceding Year Corresponding Quarter	Changes	Current Year	Preceding Year	Changes
	2026 Q1	2025 Q1		2026 Q1	2025 Q1	
	RM'000	RM'000		RM'000	RM'000	
Investment holding	(610)	(720)	15.28%	(610)	(720)	-15.28%
Furniture	1,629	3,340	-51.23%	1,629	3,340	-51.23%
Packaging	358	1,128	-68.26%	358	1,128	-68.26%
Wood processing	(379)	73	-619.18%	(379)	73	-619.18%
Renewable energy	353	599	-41.07%	353	599	-41.07%
Construction	(2,246)	(820)	-173.90%	(2,246)	(820)	-173.90%
Others	28	17	64.71%	28	17	64.71%
Consolidation adjustments	(5)	(12)		(5)	(12)	
Share of profit/(loss) of joint venture	616	(9)	6,944.44%	616	(9)	6,944.44%
Total	**(256)**	**3,596**	**-107.12%**	**(256)**	**3,596**	**-107.12%**

The Group registered revenue of RM37.8 million for 2026 Q1 compared to revenue of RM48.3 million in 2025 Q1. Loss before tax for 2026 Q1 was RM0.3 million compared to profit before tax of RM3.6 million for 2025 Q1.

The investment holding segment consists of the holding company's results which include management fees received from subsidiaries. The loss before tax for 2026 Q1 was lower compared with 2025 Q1 due to lower impairment loss on receivables. This segment's revenue is offset by the consolidation adjustments.

The furniture segment continued to be the main contributor to the Group's revenue. The furniture segment recorded RM23.9 million and RM1.6 million in revenue and profit before tax respectively for 2026 Q1. Comparatively, revenue and profit before tax for 2025 Q1 were RM30.8 million and RM3.3 million respectively. The revenue and profit before tax for 2026 Q1 were lower than 2025 Q1 due to decreased demand, as well as the strengthening of the Malaysian Ringgit (MYR) against the United States Dollar (USD).

B1. Review of Performance (cont'd)

The packaging segment contributed RM9.0 million in revenue and profit before tax of RM0.4 million for 2026 Q1 compared with revenue of RM10.9 million and profit before tax of RM1.1 million in 2025 Q1. The revenue and profit before tax in this segment were lower than 2025 Q1 due to lower demand from existing customers.

The wood processing segment registered RM5.2 million in revenue and loss before tax of RM0.4 million for 2026 Q1 compared with revenue of RM5.9 million and profit before tax of RM0.1 million in 2025 Q1. The loss before tax was due to lower revenue coupled with higher write down of inventories.

The renewable energy segment contributed RM3.0 million in revenue and profit before tax of RM0.4 million for 2026 Q1 compared with revenue of RM3.5 million and profit before tax of RM0.6 million in 2025 Q1. The lower revenue and profit before tax in 2026 Q1 were due to an annual planned plant shutdown for inspection and maintenance.

The construction segment registered RM1.1 million in revenue and loss before tax of RM2.2 million for 2026 Q1 compared with revenue of RM2.5 million and loss before tax of RM0.8 million in 2025 Q1. The lower revenue in 2026 Q1 was due to lower percentage completion on existing projects. The higher loss before tax for 2026 Q1 was due to lower revenue, recognition of foreseeable losses and liquidated ascertained damages ("LAD") cost.

The share of profit from the joint venture companies improved from a loss of RM0.01 million in 2025 Q1 to profit of RM0.6 million in 2026 Q1. This was attributed by the production of higher-value products and lower purchase price incurred by the Indonesian joint venture company.

B2. Quarterly Analysis

Revenue	Current Quarter	Immediate Preceding Quarter	Changes
	2026 Q1	2025 Q4	
	RM'000	RM'000	
Investment holding	306	4,338	-92.95%
Furniture	23,947	17,354	37.99%
Packaging	8,986	7,963	12.85%
Wood processing	5,173	4,543	13.87%
Renewable energy	3,035	4,388	-30.83%
Construction	1,050	1,554	-32.43%
Others	726	676	7.40%
Consolidation adjustments	(5,460)	(8,650)	
Total	**37,763**	**32,166**	**17.40%**

B2. Quarterly Analysis (cont'd)

Profit/(Loss) Before Tax	Current Quarter	Immediate Preceding Quarter	Changes
	2026 Q1	2025 Q4	
	RM'000	RM'000	
Investment holding	(610)	4,114	-114.83%
Furniture	1,629	1,070	52.24%
Packaging	358	(133)	369.17%
Wood processing	(379)	(812)	53.33%
Renewable energy	353	766	-53.92%
Construction	(2,246)	(1,544)	-45.47%
Others	28	(173)	116.18%
Consolidation adjustments	(5)	(4,028)	
Share of profit/(loss) of joint venture	616	(1,771)	134.78%
Total	**(256)**	**(2,511)**	**89.80%**

The Group recorded revenue of RM37.8 million and loss before tax of RM0.3 million for 2026 Q1 compared to 2025 Q4 revenue and loss before tax of RM32.2 million and RM2.5 million respectively.

For the investment holding segment, the revenue and profit before tax for 2026 Q1 were lower than 2025 Q4 as dividends were declared by a subsidiary in 2025 Q4. This segment's revenue is offset by the consolidation adjustments.

The furniture segment recorded RM23.9 million and RM1.6 million in revenue and profit before tax respectively for 2026 Q1. Comparatively, revenue and profit before tax for 2025 Q4 were RM17.4 million and RM1.1 million respectively. The revenue and profit before tax for 2026 Q1 were higher than 2025 Q4 due to increased demand.

The packaging segment contributed RM9.0 million in revenue and profit before tax of RM0.4 million for 2026 Q1 compared to revenue of RM8.0 million and loss before tax of RM0.1 million in 2025 Q4. The revenue and profit before tax for 2026 Q1 were higher than 2025 Q4 due to higher demand.

The wood processing segment registered RM5.2 million in revenue and loss before tax of RM0.4 million for 2026 Q1 compared with revenue of RM4.5 million and loss before tax of RM0.8 million in 2025 Q4. The higher revenue in 2026 Q1 was due to higher inter-company sales. However, the reduced loss before tax in 2026 Q1 was due to higher revenue and lower write down of inventories.

The renewable energy segment contributed RM3.0 million in revenue and profit before tax of RM0.4 million for 2026 Q1 compared with revenue of RM4.4 million and profit before tax of RM0.8 million in 2025 Q4. The lower revenue and profit before tax in 2026 Q1 were due to an annual planned plant shutdown for inspection and maintenance, compounded by lower offtake by customers.

The construction segment registered RM1.1 million in revenue and loss before tax of RM2.2 million for 2026 Q1 compared with revenue of RM1.6 million and loss before tax of RM1.5 million in 2025 Q4. The lower revenue was due to lower percentage completion on existing projects. The higher loss before tax was due to lower revenue, recognition of foreseeable losses and liquidated ascertained damages ("LAD") cost.

B2. Quarterly Analysis (cont'd)

The "others" segment contributed RM0.7 million in revenue and profit before tax of RM0.03 million for 2026 Q1 compared with revenue of RM0.7 million and loss before tax of RM0.2 million in 2025 Q4. The higher profit before tax for 2026 Q1 due to the write-off of property, plant and equipment and upkeep of factory incurred in 2025 Q4.

The share of profit from the joint venture company for 2026 Q1 was RM0.6 million compared to loss of RM1.8 million in 2025 Q4. This was attributed by the production of higher-value products and lower purchase price incurred by the Indonesian joint venture company. Meanwhile, the Malaysian joint venture company achieved higher export sales and lower write down of inventories.

B3. Current Year Prospects

The latest indicators point to a continued expansion in global growth, although downside risks persist. These include the possibility of higher product-specific tariffs and any escalation in geopolitical tensions.

For the Malaysian economy, resilient domestic demand is expected to remain the key driver of growth going into 2026. Steady employment conditions, wage improvements, and income-related policy measures will continue to support household spending. Nevertheless, the implementation of various government policies has increased operational costs for businesses, compounding broader cost pressures in an already challenging economic environment.

The furniture segment remains the Group's core business. While its financial performance is expected to be challenging due to sluggish orders from customers and rising operating costs, the Group will prioritise cost control, market expansion, and product development to enhance profitability and growth.

The Group will review the non-core businesses to identify measures to enhance revenue and improve performance particularly, the construction segment.

B4. Profit Forecast

There were no profit forecasts issued for the current financial period under review.

B5. Taxation

The tax charges comprise: -

	Current Quarter RM'000	Financial year-to-date RM'000
• Company and Subsidiary Companies		
– Income Tax	816	816
– Deferred Tax	(13)	(13)
	803	803

The Group's effective tax rate in the current quarter is higher than the statutory tax rate due to certain non-tax deductible items and no deferred tax asset has been recognised in respect of losses in certain loss-making entities in Malaysia.

B6. Corporate Proposals

There were no corporate proposals as at the date of this announcement.

B7. Group Borrowings and Debt Securities

The Group borrowings as at 31 October 2025 are summarised as below:

	Current	Non-current	Total
	RM'000	RM'000	RM'000
Hire purchase liabilities	290	480	770
Secured invoices financing	976	-	976
Secured overdraft	101	-	101
Secured term loan	1,263	11,647	12,910
Unsecured other borrowing	5,704	-	5,704
Total	8,334	12,127	20,461

B8. Material Litigation

Neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the Group's financial position or business, and the Directors are not aware of any proceedings, pending or threatened, against the Company and/or any of its subsidiaries or of any facts likely to give rise to any proceedings which may materially and adversely affect the Group's financial position or business.

B9. Other Disclosures Items to the Statement of Comprehensive Income

Profit/(Loss) for the period is arrived at after crediting/(charging):

	Current Quarter RM'000	Financial year-to-date RM'000
- Interest income	611	611
- Other income	682	682
- Interest expense	(152)	(152)
- Depreciation on property, plant and equipment investment properties and right-of-use assets	(1,920)	(1,920)
- Foreign exchange loss	(245)	(245)
- Gain on derivatives	44	44
- Impairment loss on receivables	(72)	(72)
- Write down of inventories	(240)	(240)

Save as disclosed above, the following items are not applicable to the Group for the first financial quarter ended 31 October 2025:

- gain on disposal on property, plant and equipment
- impairment of assets
- exceptional items

B10. Dividend

The directors do not recommend the payment of any dividend for the current financial period ended 31 October 2025.

B11. Basic Earnings Per Share (EPS)

	Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
(Loss)/Profit attributable to the owners of the Company (RM'000)	(87)	2,580	(87)	2,580
Weighted average number of ordinary shares in issue ('000)	268,065	268,733	268,065	268,733
Basic EPS (sen)	(0.03)	0.96	(0.03)	0.96

B12. Authorisation for Issue

The unaudited interim financial statements and the accompanying notes were authorised for issue by the Board of Directors on 12 December 2025.