KUCINGKO BERHAD

(Registration No. 202301011068 (1504989-A))
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025

Kenanga Investment Bank Berhad ("Kenanga IB"), the Sponsor of Kucingko Berhad has reviewed this interim financial report in accordance with Rule 4.27 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad prior to the issuance of this interim financial report. Kenanga IB assumes no responsibility for the contents of this interim financial report.

Kenanga IB was also the Principal Adviser for the admission of Kucingko Berhad to the ACE Market of Bursa Malaysia Securities Berhad on 26 July 2024.

KUCINGKO BERHAD
(Registration No. 202301011068 (1504989-A))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR FOURTH QUARTER ENDED 31 DECEMBER 2025[1]

	Note	Individual quarter		Cumulative quarter	
		Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding year quarter ended 31.12.2024	Unaudited Current year-to-date 31.12.2025	Audited Preceding year-to-date 31.12.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	1,029	1,454	3,612	25,750
Other operating income		52	5	122	145
Changes in inventories		(15)	(13)	(64)	(73)
Staff costs		(2,053)	(1,785)	(10,619)	(11,337)
Depreciation		(358)	(363)	(1,430)	(1,435)
Other operating expenses		(1,364)	(929)	(4,511)	(6,679)
(Loss) / Profit from operations		**(2,709)**	**(1,631)**	**(12,890)**	**6,371**
Finance costs		(27)	(35)	(121)	(138)
Finance income		220	450	980	746
Net finance income		193	415	859	608
(Loss) / Profit before tax		**(2,516)**	**(1,216)**	**(12,031)**	**6,979**
Income tax expense	B5	40	197	21	(1,935)
Net (loss) / profit / Total comprehensive (loss)/income for the period		**(2,476)**	**(1,019)**	**(12,010)**	**5,044**
Net (loss)/profit Total comprehensive (loss)/income attributable to:					
Owners of the Company		(2,476)	(1,019)	(12,010)	5,044
Non-controlling interest		-	-	-	-
		(2,476)	**(1,019)**	**(12,010)**	**5,044**
Basic (loss) / earnings per share (sen)	B12	(0.49) [2]	(0.36) [3]	(2.4) [2]	1.66[3]
Diluted (loss) / earnings per share (sen)	B12	(0.49) [2]	(0.36) [4]	(2.4) [2]	1.66[4]

Notes:

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

(2) *Basic (loss) / earnings per share ("**LPS**"/"**EPS**") is calculated based on the (loss) / profit attributable to the owners of the Company, divided by the weighted average number of ordinary shares of*

500,000,000 as at 31 December 2025. The diluted earnings per share is equivalent to the basic earnings per share for the current quarter and year-to-date. The diluted earnings per share is equivalent to the basic earnings per share for the current quarter and year-to-date.

(3) *Basic (loss) / earnings per share ("**LPS**"/"**EPS**") is calculated based on the (loss) / profit attributable to the owners of the Company, divided by the weighted average number of ordinary shares of 303,287,672 as at 31 December 2024.*

(4) *Diluted (loss) / earnings per share ("**LPS**"/"**EPS**") is calculated based on the (loss) / profit attributable to the owners of the Company, divided by the weighted average number of ordinary shares of 303,812,560 as at 31 December 2024.*

KUCINGKO BERHAD
(Registration No. 202301011068 (1504989-A))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025[1]

	Note	Unaudited as at 31.12.2025	Audited as at 31.12.2024
		RM'000	**RM'000**
Non current assets			
Property, plant and equipment		2,022	2,588
Right of use assets		2,262	2,877
Goodwill		57	63
		4,341	5,528
Current assets			
Inventories		7	6
Trade receivables		564	605
Other receivables, deposits and prepayments		875	1,627
Contract assets		268	-
Others investment		25,577	10,058
Fixed deposits with licensed banks		1,750	25,274
Cash and bank balances		2,461	6,275
		31,502	43,845
Total assets		**35,843**	**49,373**
Equity			
Share capital		38,638	38,638
Share option reserve		39	-
Merger reserve		(2,949)	(2,949)
(Accumulated losses)/Retained earnings		(4,906)	7,104
Total equity		**30,822**	**42,793**
Non current liabilities			
Borrowings	B8	-	75
Lease liabilities		2,074	2,400
Deferred tax liability		-	52
		2,074	2,527
Current liabilities			
Trade payables		4	3
Other payables and accruals		2,689	2,704
Contract liabilities		386	37
Borrowings	B8	75	215
Lease liabilities		326	606
Tax payable		(533)	488
		2,947	4,053
Total liabilities		**5,021**	**6,580**
Total equity and liabilities		**35,843**	**49,373**
Net assets per share (RM) [2]		0.06	0.09

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Group's 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 share is calculated based on the total number of 500,000,000 ordinary shares in issue as at 31 December 2025.

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KUCINGKO BERHAD
(Registration No. 202301011068 (1504989-A))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 [1]

	Share capital	Invested equity	Share option reserve	Merger reserve	Retained earnings/ (Accumulated losses)	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	*	6,611	-	-	11,329	17,940
Profit for the financial year	-	-	-	-	5,044	5,044
Transactions with owners:						
Effect of restructuring exercise	9,560	(6,611)	-	(2,949)	-	-
Issuance of ordinary shares pursuant to IPO	30,000	-	-	-	-	30,000
Shares issuance expenses	(922)	-	-	-	-	(922)
Dividends	-	-	-	-	(9,269)	(9,269)
	38,638	(6,611)	-	(2,949)	(9,269)	19,809
As at 1 January 2025 (audited)	**38,638**	**-**	**-**	**(2,949)**	**7,104**	**42,793**
Loss for the financial year	-	-	-	-	(12,010)	(12,010)
Share-based payments (ESOS) [2]	-	-	39	-	-	39
As at 31 December 2025 (unaudited)	**38,638**	**-**	**39**	**(2,949)**	**(4,906)**	**30,822**

Notes:

* *Amount is less than RM1,000*

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

(2) *Employees' Share Option Scheme ("ESOS")*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 (1)

	Unaudited **Current year-to-date** **31.12.2025** **RM'000**	**Audited** **Preceding year-to-date** **31.12.2024** **RM'000**
Cash flows from / (used in) operating activities		
(Loss) / Profit before tax	(12,031)	6,979
Adjustments for:		
Depreciation	1,430	1,435
Dividend income	-	(8)
Gain from disposal of property, plant and equipment	(2)	*
Interest income	(980)	(746)
Interest expense	121	138
Plant and equipment written off	1	*
Unrealised gain on foreign exchange	(240)	-
Impairment loss on goodwill	6	-
Equity-settled share-based payment transaction	39	-
Operating (loss) / profit before working capital changes	**(11,656)**	**7,798**
Changes in working capital:		
Inventories	(1)	1
Trade and other receivables	793	1,263
Net contract balances	81	273
Trade and other payables	(14)	139
Cash (used in) / generated from operating activities	**(10,797)**	**9,474**
Income tax paid	(1,052)	(2,112)
Income tax refund	*	-
Interest received	10	219
Net cash (used in) / from operating activities	**(11,839)**	**7,581**
Cash flows from investing activities		
Purchase of property, plant and equipment	(250)	(291)
Interest received	132	526
Proceed from disposal of other investments	5,300	-
Proceeds from disposal of property, plant and equipment	2	*
Decrease/(Increase) in fixed deposit with maturity of more than 3 months	20,099	(19,099)
Placements of other investment	(20,000)	(10,050)
Net cash from / (used in) investing activities	**5,283**	**(9,815)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 (CONT'D) (1)

	Unaudited Current year-to-date 31.12.2025	Audited Preceding year-to-date 31.12.2024
	RM'000	RM'000
Cash flows from financing activities		
Repayments of borrowings	(215)	(208)
Proceed from issuance of ordinary shares	-	29,078
Repayments of lease liabilities	(606)	(552)
Interest paid	(121)	(138)
Interest received	19	-
Dividend paid	-	(9,269)
Net cash used in financing activities	**(923)**	**(188)**
Net decrease in cash and cash equivalents	(7,479)	(2,422)
Cash and cash equivalents at beginning of the financial period	**9,700**	**12,122**
Effect of currency translation	**240**	**-**
Cash and cash equivalents at end of the financial period	**2,461**	**9,700**
Cash and cash equivalents comprise:		
Cash and bank balances	2,461	6,275
Fixed deposit with licensed banks	1,750	25,274
	4,211	31,549
Less: Fixed deposits pledged with licensed banks	(750)	(750)
Less: Fixed deposits with initial maturity of more than 3 months	(1,000)	(21,099)
	2,461	**9,700**

Notes:

* *Amount is less than RM1,000*

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

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The condensed consolidated interim financial statements of Kucingko Berhad ("**Kucingko**" or the **Company**) and its subsidiaries ("**Group**") are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and Rule 9.22 and Appendix 9B of Listing Requirements.

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Company's audited financial statements for the financial year ended 31 December 2024, save for the following:

The Group has adopted the new and revised MFRS and their related interpretations that have become mandatory for the current reporting period.

Amendments/improvements to MFRSs that have been issued and effective

	Effective Date
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above amendments to MFRS and IC Interpretations does not result in significant changes in the accounting policies of the Group.

The Group has not adopted the following new standards, amendments to published standards and IC Interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the current quarter:

Amendments/improvements to MFRSs that have been issued, but yet to be effective

	Effective Date
Amendments to MFRS 7: Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 1: First time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Amendments to MFRS 9: Financial Instruments	1 January 2026
Amendments to MFRS 10: Consolidated Financial Statements	1 January 2026
Amendments to MFRS 107: Statement of Cash Flows	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	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 notice

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A2. Significant accounting policies (Cont'd)

These new standards, amendments to published standards and IC Interpretations do not result in significant changes in accounting policies of the Group upon their initial application.

A3. Auditors' report

There were no qualifications on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by 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 financial quarter under review.

A6. Material changes in estimates

There were no material changes in estimates that have material effects for the current financial quarter under review.

A7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter under review.

A8. Dividend paid

There was no dividend paid during the current financial quarter under review.

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PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9. Segment information

The Group is organised into business units based on the nature of the business and has four reportable operating segments as follows:

Operating Segments	**Nature**
Animation services	- Animation entertainment production and distribution
Information Technology ("**IT**") services	- Software and hardware distribution, IT and network infrastructure support and technology training
Food and beverage	- Restaurant operator
Others	- Investment holding and other businesses that do not fall into the above segments

The Group's revenue is segmented as follows:

Revenue by business segments

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter ended 31.12.2025	**Unaudited Preceding year quarter ended 31.12.2024**	**Unaudited Current year-to-date 31.12.2025**	**Audited Preceding year-to-date 31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue by business segments:				
External revenue:				
Animation services	1,006	1,435	3,506	25,673
Food and beverage	23	19	105	77
IT services	-	-	-	-
Others	-	-	1	-
Inter-segment revenue:				
Animation services	113	154	589	1,384
Food and beverage	4	7	27	48
IT services	46	118	962	851
Others	-	-	-	-
	1,192	1,733	5,190	28,033
Elimination of inter-segment sales	(163)	(279)	(1,578)	(2,283)
	1,029	**1,454**	**3,612**	**25,750**

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9. Segment information (Cont'd)

The Group's (loss) / profit is segmented as follows:

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding year quarter ended 31.12.2024	Unaudited Current year-to-date 31.12.2025	Audited Preceding year-to-date 31.12.2024
	RM'000	RM'000	RM'000	RM'000
Segment results:				
Animation services	(1,463)	(666)	(9,421)	8,409
Food and beverage	(85)	(65)	(270)	(257)
IT services	(18)	19	(168)	(209)
Others	(1,143)	(919)	(3,031)	(1,572)
(Loss)/Profit from operations	**(2,709)**	**(1,631)**	**(12,890)**	**6,371**
Finance income	220	450	980	746
Finance cost	(27)	(35)	(121)	(138)
(Loss)/Profit before taxation	**(2,516)**	**(1,216)**	**(12,031)**	**6,979**
Income tax expenses	40	197	21	(1,935)
(Loss)/Profit after taxation	**(2,476)**	**(1,019)**	**(12,010)**	**5,044**

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PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9. Segment information (Cont'd)

<u>Revenue by geographical market</u>

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding year quarter ended 31.12.2024	Unaudited Current year-to-date 31.12.2025	Audited Preceding year -to-date 31.12.2024
	RM'000	RM'000	RM'000	RM'000
North America				
USA	-	588	28	10,401
Canada	-	386	116	9,059
Europe				
France	-	-	915	5,688
United Kingdom	-	394	-	394
Asia Pacific				
Singapore	-	-	52	64
Malaysia	19	19	106	77
Korea	748	67	1,335	67
China	-	-	114	-
Japan	197	-	198	-
Hong Kong	-	-	611	-
Middle East				
United Arab Emirates	65	-	137	-
	1,029	**1,454**	**3,612**	**25,750**

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PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9. Segment information (Cont'd)

	Unaudited as at 31.12.2025	Audited as at 31.12.2024
	RM'000	**RM'000**
Segment assets:		
Animation services	11,160	22,158
Food and beverage	86	100
IT services	215	386
Others	36,752	36,949
	48,213	59,593
Elimination	(12,370)	(10,220)
	35,843	**49,373**

	Unaudited as at 31.12.2025	Audited as at 31.12.2024
	RM'000	**RM'000**
Segment liabilities:		
Animation services	4,995	6,452
Food and beverage	1,328	1,051
IT services	17	26
Others	2,412	379
	8,752	7,908
Elimination	(3,731)	(1,328)
	5,021	**6,580**

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PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A10. Material events subsequent to the end of the reporting period

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim report.

A11. Changes in the Composition of the Group

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

A12. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at 31 December 2025.

A13. Capital commitments

There were no capital commitments as at 31 December 2025.

A14. Fair value of financial instruments

There were no gain or loss arising from fair value changes of financial assets and liabilities for the current financial quarter under review.

A15. Significant related party transaction

The significant related party transaction is as follows:

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter ended 31.12.2025	**Unaudited Preceding year quarter ended 31.12.2024**	**Unaudited Current year-to-date 31.12.2025**	**Audited Preceding year-to-date 31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
With companies in which the directors have interest:				
Subscription of software license	135	216	555	886

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of financial performance

Current and cumulative quarter ended 31 December 2025:

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding year quarter ended 31.12.2024	Unaudited Current year-to-date 31.12.2025	Audited Preceding year-to-date 31.12.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	1,029	1,454	3,612	25,750
(Loss)/Profit before tax	(2,516)	(1,216)	(12,031)	6,979
(Loss)/Profit after tax	(2,476)	(1,019)	(12,010)	5,044

The Group recorded revenue of RM1.03 million for the current quarter ended 31 December 2025, a decline of 29.23% when compared to the RM1.45 million achieved in the quarter ended 31 December 2024. This was mainly due to slowdown in project deliveries across Group's core 2D animation production services, following sustained softening of industry demand.

By region, the Asia Pacific market is the Group's largest contributor for the current quarter, with RM0.96 million representing 93.68% of the total Group revenue.

For the current quarter ended 31 December 2025, the Group recorded a loss before tax of RM2.52 million, compared to a loss before tax of RM1.22 million in the corresponding quarter of the preceding year. The decline in performance was mainly attributable to lower revenue, while the Group continued to incur operational expenses during the financial period. Consequently, the Group reported a loss after tax of RM2.48 million, as compared to a loss after tax of RM1.02 million in the same quarter last year. During the quarter under review, the Group maintained its operating cost structure, particularly in relation to manpower and studio facilities. This was a deliberate decision to preserve operational readiness, to ensure the Group is prepared for changes in production demand.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B2. Comparison with the immediate preceding quarter results

	Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding quarter ended 30.09.2025	Changes	
	RM'000	RM'000	RM'000	%
Revenue	1,029	1,328	(299)	22.52
(Loss)/Profit before tax	(2,516)	(2,556)	40	1.56
(Loss)/Profit after tax	(2,476)	(2,557)	81	3.17

The Group recorded revenue of RM1.03 million for the current quarter, decrease of RM0.30 million or 22.52% compared to RM1.33 million in the preceding quarter ended 30 September 2025. The decline was mainly due to the completion of several projects in the preceding quarter, while certain newly commenced projects had yet to meet the revenue recognition criteria in accordance with the applicable accounting standards.

Notwithstanding the lower revenue, the Group's loss before tax improved marginally to RM2.52 million, compared to a loss before tax of RM2.56 million in the previous quarter, primarily due to better cost management and lower operating expenses. Consequently, the loss after tax narrowed to RM2.48 million, compared to RM2.56 million in the preceding quarter.

B3. Prospects

The Group remains mindful of the ongoing challenges within the global content production industry. Nevertheless, the Group's core 2D animation production business has shown signs of stabilization during the current quarter.

Looking ahead, the Group foresees a gradual recovery in production activities beginning from the first quarter of 2026, with industry sentiment turning more positive compared to 2025. This anticipated improvement is supported by a cautiously improving demand outlook from clients.

The Group will continue to invest in and broaden its content production capabilities, particularly in 3D and game animation, while progressing its geographic expansion and diversification across the Asia-Pacific region. These strategic initiatives are expected to strengthen the Group's positioning and are anticipated to contribute more meaningfully to performance in 2026.

Collectively, these strategic initiatives provide a foundation for future growth, enabling the Group to benefit from the anticipated recovery in 2D animation demand, while progressively strengthening its presence in 3D and game animation production services.

B4. Profit forecast and profit guarantee

The Group did not issue any profit forecast or profit guarantee in any public document in respect of the current financial quarter under review.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5. Income tax expense

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter ended 31.12.2025	**Unaudited Preceding year quarter ended 31.12.2024**	**Unaudited Current year-to-date 31.12.2025**	**Audited Preceding year-to-date 31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax[1]	(40)	(249)	(21)	1,883
Deferred tax	-	52	-	52
Total income tax expense	**(40)**	**(197)**	**(21)**	**1,935**
Effective tax rate (%)	N/A	N/A	N/A	27.7%
Statutory tax rate (%)	24.0%	24.0%	24.0%	24.0%

Notes:

(1) Income tax is recognised based on management's best estimate.

N/A - Not applicable.

The Group's effective tax rate for the current quarter does not reflect the statutory rate of 24.0%. This is because the Group recorded a consolidated loss before tax, while the tax expense arose from taxable income generated by certain subsidiaries and investment activities. Losses incurred by other entities within the Group were not available for offset against these taxable profits.

B6. Status of corporate proposals

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

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7. Utilisation of proceeds from the public issue

The gross proceeds from the public issue amounting to RM30.00 million is intended to be utilised in the following manner:

Utilisation of proceeds[1]	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Estimated timeframe for utilisation from date of the listing
Capacity expansion	17,767	1,716	16,051	Within 36 months
USA sales office	4,377	315	4,062	Within 36 months
Working capital	4,256	3,371	885	[2]Within 30 months
Listing expenses	3,600	3,600	-	Immediate
Total	**30,000**	**9,002**	**20,998**	

Notes:

(1) The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus.

(2) Please refer to the announcement dated 25 July 2025 for further information on the extension of timeframe for the utilisation of proceeds raised from the IPO. The extension of timeframe for the utilisation of IPO proceeds is not subject to any regulatory authorities, or shareholders' approval.

B8. Borrowings

The Group's borrowings as at 31 December 2025 are as follows:

	Unaudited as at 31.12.2025 RM'000	Audited as at 31.12.2024 RM'000
Non-current portion		
Term loan	-	75
	-	**75**
Current portion		
Term loan	75	215
	75	**215**
Total borrowings	**75**	**290**

All the borrowings are secured and denominated in Ringgit Malaysia.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B9. Dividends proposed

No dividend has been declared or recommended for payment by the Board of Directors of the Company for the current quarter under review.

B10. Material litigation

There was no material litigation involving the Group as at 31 December 2025.

B11. Derivative financial instruments

There were no derivatives financial instruments used in the current financial quarter under review.

B12. Earnings per share

The basic EPS / (LPS) for the current quarter and year-to-date are computed as follows:

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter ended	**Unaudited Preceding year quarter ended**	**Unaudited Current year-to-date**	**Audited Preceding year-to-date**
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
(Loss)/Profit attributable to owners of the Company (RM'000)	(2,476)	(1,019)	(12,010)	5,044
Weighted average number of ordinary shares (basic)('000)	500,000	303,288	500,000	303,288
Basic (LPS) / EPS (sen)[1]	(0.49)	(0.36)	(2.4)	1.66

The diluted EPS / (LPS) for the current quarter and year-to-date are computed as follows:

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter ended	**Unaudited Preceding year quarter ended**	**Unaudited Current year-to-date**	**Audited Preceding year-to-date**
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
(Loss)/Profit attributable to owners of the Company (RM'000)	(2,476)	(1,019)	(12,010)	5,044
Weighted average number of ordinary shares (basic)('000)	500,000	303,288	500,000	303,288
Effect of ESOS ('000)	-	525	-	525
Weighted average number of ordinary shares (diluted)('000)	500,000	303,813	500,000	303,813

Diluted (LPS) / EPS (sen)	(0.49) [(2)]	(0.36)	(2.4) [(2)]	1.66

Notes:

(1) *The basic* (LPS)/EPS *for the current quarter is calculated based on the Group's net loss attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue.*

(2) *The diluted (LPS)/EPS is the same as the basic (LPS)/EPS as the effect of potential ordinary shares under ESOS is anti-dilutive. The market price of the Company's shares during the period was lower than the ESOS exercise price, and as such, the options were not considered dilutive.*

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PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B13. Notes to the Condensed Consolidated Statements of Comprehensive Income

The following items have been charged/(credited) in arriving at the (loss)/profit before tax for the current quarter and the (loss)/profit before tax for the financial year-to-date:

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter ended 31.12.2025	Unaudited Preceding year quarter ended 31.12.2024	Unaudited Current year-to-date 31.12.2025	Audited Preceding year -to-date 31.12.2024
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	205	208	815	856
Depreciation of right-of-use assets	153	155	615	579
Interest expenses	27	35	121	138
Listing expenses	-	26	-	1,279
Interest income	(220)	(450)	(980)	(746)
Wage subsidy / Grants	-	-	-	(75)
Realised loss /(gain) on foreign exchange	204	88	460	273

Save as disclosed above, the other disclosure items as required under paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
KUCINGKO BERHAD
27 FEBRUARY 2026