OCEAN VANTAGE HOLDINGS BERHAD

REGISTRATION NO.: 201801036887 (1298917-H)

Interim Financial Report
For The Fourth Quarter Ended
31 December 2025

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

		|--- Individual Quarter ---|		|-- Cumulative Quarter --|	
		3 months ended		12 months ended	
		Unaudited	Unaudited	Unaudited	Unaudited
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
	Notes	RM'000	RM'000	RM'000	RM'000
Revenue	A9	24,421	36,584	110,578	123,636
Cost of sales		(18,779)	(28,618)	(83,339)	(113,142)
Gross profit		**5,642**	**7,966**	**27,239**	**10,494**
Other income		135	15,601	1,174	13,763
Administrative expenses		(6,787)	(7,820)	(19,382)	(19,741)
Net reversal/(Impairment losses) on financial instruments		1,814	-	(4,426)	-
Other expenses		-	(476)	-	(476)
Profit from operations		**804**	**15,271**	**4,605**	**4,040**
Finance costs		(151)	(55)	(369)	(577)
Profit before taxation ("PBT")	B13	**653**	**15,216**	**4,236**	**3,463**
Taxation	B5	(449)	(5,275)	(2,857)	(2,580)
Profit for the financial year, representing total comprehensive income for the financial year		**204**	**9,941**	**1,379**	**883**
Profit/(Loss) for the financial year attributable to:					
Owners of the Company		197	15,269	1,369	6,357
Non-controlling interests		7	(5,328)	10	(5,474)
		204	**9,941**	**1,379**	**883**
Earnings per share attributable to owners of the parent (sen)					
- Basic	B12	0.05	3.64	0.33	1.51
- Diluted	B12	0.05	3.64	0.33	1.51

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income 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.

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

	Notes	Unaudited As at 31/12/2025 RM'000	Audited As at 31/12/2024 RM'000
Non-current assets			
Property, plant and equipment		11,936	12,121
Deferred tax assets		-	5,133
Other receivables		-	2,870
		11,936	20,124
Current assets			
Inventories		291	358
Current tax assets		3,029	146
Trade receivables		20,687	40,303
Contract assets		14,546	11,779
Other receivables, deposits and prepayments		10,516	10,338
Other investment		1,803	-
Fixed deposit placed with financial institutions		3,251	5,533
Cash and bank balances		27,728	56,372
		81,851	124,829
Total assets		93,787	144,953
Equity			
Share capital		40,563	39,188
Reserves		(12,695)	(12,695)
Retained earnings		45,586	44,217
		73,454	70,710
Non-controlling interests		336	326
Total Equity		73,790	71,036
Non-current liabilities			
Loans and borrowings	B9	1,768	1,092
Deferred tax liabilities		965	101
		2,733	1,193
Current liabilities			
Loans and borrowings	B9	984	2,280
Provision		-	80
Current tax liabilities		-	1,958
Trade payables		12,886	66,656
Contract liabilities		235	99
Other payables and accruals		3,159	1,651
		17,264	72,724
Total liabilities		19,997	73,917
Total equity and liabilities		93,787	144,953
Number of ordinary shares in issue ('000)		420,773	419,940
Net assets per share attributable to owners of the parent (RM)		0.17	0.17

Note:

[1] The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position 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.

OCEAN VANTAGE HOLDINGS BERHAD
Registration No.: 201801036887 (1298917-H)
(Incorporated in Malaysia)
Interim Financial Report For The Fourth Quarter Ended 31 December 2025

OCEAN VANTAGE

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

	Non-distributable			Distributable		
	Share capital RM'000	**Other reserves RM'000**	**Reorganisation deficit RM'000**	**Retained earnings RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
Balance as at 1 January 2024	39,188	2,336	(15,031)	37,860	204	64,557
Profit/(Loss) for the financial year	-	-	-	6,357	(5,474)	883
Transaction with owners:						
Non-controlling interests arising from disposal of a subsidiary	-	-	-	-	5,596	5,596
Balance as at 31 December 2024	**39,188**	**2,336**	**(15,031)**	**44,217**	**326**	**71,036**
Balance as at 1 January 2025	39,188	2,336	(15,031)	44,217	326	71,036
Profit for the financial year	-	-	-	1,369	10	1,379
Transaction with owners:						
Issuance of new ordinary shares	1,375	-	-	-	-	1,375
Non-controlling interest arising from incorporation of a subsidiary	-	-	-	-	#	-
Balance as at 31 December 2025	**40,563**	**2,336**	**(15,031)**	**45,586**	**336**	**73,790**

Amount below RM1,000

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity 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.

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

	Unaudited 12 months ended	
	31/12/2025 RM'000	31/12/2024 RM'000
Cash Flows from Operating Activities		
Profit before tax	4,236	3,463
Adjustments for:		
Depreciation of property, plant and equipment	2,163	2,221
Deposit written off	3	28
Fair value adjustment on receivable measured at amortised cost	(476)	476
Fair value gain on other investment	(27)	-
Loss from disposal of property, plant and equipment	18	-
Gain on disposal of a subsidiary	-	(13,056)
Gain on lease modification	(36)	(23)
Impairment loss on trade and other receivables	6,849	-
Interest expenses	369	577
Interest income	(152)	(217)
Net unrealised (gain)/loss on foreign exchange	(403)	939
Other receivables written off	10	-
Property, plant and equipment written off	580	-
Reversal of impairment loss on trade receivables	(2,424)	-
Utilisation for foreseeable losses	(80)	(1,375)
Operating profit/(loss) before working capital changes	10,630	(6,967)
Changes in working capital:		
Inventories	67	(28)
Trade and other receivables	18,230	19,459
Trade and other payables	(51,317) [(2)]	27,134
Contract assets	(2,767)	11,449
Contract liabilities	136	99
Net cash (used in)/generated from operations	(25,021)	51,146
Income tax paid	(1,701)	(3,582)
Net cash (used in)/generated from operating activities	(26,722)	47,564
Cash Flows from Investing Activities		
Interest received	152	217
Changes in pledged deposits	2,282	(219)
Purchase of other investment	(1,776)	-
Purchase of property, plant and equipment	(817)	(2,038)
Proceeds from disposal of property, plant and equipment	13	-
Proceeds from disposal of a subsidiary, net of cash disposed	-	(217)
Subscription of shares in a subsidiary	#	-
Net cash used in investing activities	(146)	(2,257)

	Unaudited 12 months ended	
	31/12/2025	**31/12/2024**
	RM'000	**RM'000**
Cash Flows from Financing Activities		
Interest paid	(369)	(577)
Net proceeds from issuance of ordinary shares	1,375	-
Repayment of short term borrowing	(1,516)	(1,923)
Payment of lease liabilities	(471)	(628)
Repayment of hire purchase payables	(371)	(354)
Changes in Designated Collection Account and Escrow Account	(581)	(13)
Net cash used in financing activities	(1,933)	(3,495)
Net change in cash and cash equivalents	**(28,801)**	**41,812**
Effect of exchange rate fluctuations on cash held	**(423)**	**(366)**
Cash and cash equivalents as at beginning of financial year	**50,745**	**9,299**
Cash and cash equivalents as at end of financial year	**21,521**	**50,745**

Amount below RM1,000

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows 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) The significant cash outflow in respect of trade and other payables was mainly attributable to the settlement of liabilities due to a trade creditor in connection with amounts previously collected on their behalf pursuant to a rig charter contract, amounting to RM38.10 million.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of Ocean Vantage Holdings Berhad ("**OVH**" or the **"Company**") and its subsidiaries (collectively known as the **"Group**") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MRFSs**") 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") ("**Listing Requirements**").

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

The accounting policies adopted in the interim financial statements are consistent with those as adopted in the annual audited financial statements for the financial year ended 31 December 2024. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

A2. Significant accounting policies

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those as adopted in the annual audited financial statements for the financial year ended 31 December 2024. The Group has in addition adopted the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations for the financial year beginning 1 January 2025.

(a) New MFRS, Amendments/improvements to MFRSs and IC Interpretations

Amendments/Improvement to MFRSs

- MFRS 121	The Effects of Changes in Foreign Exchange Rate

A2. Significant accounting policies (Cont'd)

(b) New MFRS, Amendments to MFRSs and IC Interpretations, but not yet effective for annual period beginning on or after 1 January 2025

		Effective for financial periods beginning on or after
New MFRSs		
- MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRSs		
- MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
- MFRS 7	Financial Instruments: Disclosures	1 January 2026
- MFRS 9	Financial Instruments	1 January 2026
- MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
- MFRS 107	Statement of Cash Flows	1 January 2026
- MFRS 128	Investments in Associates and Joint Ventures	Deferred

A3. Auditors' report

The audited financial statements of the Group for the financial year ended 31 December 2024 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not affected by seasonal or cyclical factors.

A5. Material unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A6. Material changes in estimates

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

A7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during current financial quarter under review, except 10,000,000 new ordinary shares were issued pursuant to the exercise of employees' share options granted under the Share Issuance Scheme at an exercise price of RM0.128.

A8. Dividends

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

A9. Segmental Reporting

The Group’s reportable segmental information for the cumulative financial period is as follows:-

31 December 2025

	EPC and Project Management RM'000	Supply of Manpower RM'000	Supply of material, tools and equipment RM'000	Drilling Rig Charter RM'000	Management fee RM'000	Adjustment and eliminations RM'000	Total RM'000
Revenue:							
External customers	24,428	80,678	3,668	1,804	-	-	110,578
Inter-segment revenue	4,281	-	-	120	4,091	(8,492)	-
	28,709	80,678	3,668	1,924	4,091	(8,492)	110,578
Segment profit/(loss)	5,038	19,364	1,033	1,804	2,549	(2,549)	27,239
Other income							1,174
Unallocated expenses							(23,808)
Finance costs							(369)
Income tax expense							(2,857)
Profit for the financial year							1,379
Results:							
Included in the measure of segment profit are:							
Employee benefit expenses	1,587	1,173	-	-	-	-	2,760
Depreciation	1,350	-	-	-	-	-	1,350

31 December 2024

	EPC and Project Management RM'000	Supply of Manpower RM'000	Supply of material, tools and equipment RM'000	Drilling Rig Charter RM'000	Management fee RM'000	Adjustment and eliminations RM'000	Total RM'000
Revenue:							
External customers	36,264	78,136	6,562	2,674	-	-	123,636
Inter-segment revenue	18,503	-	-	120	4,363	(22,986)	-
	54,767	78,136	6,562	2,794	4,363	(22,986)	123,636
Segment profit/(loss)	(14,038)	20,440	1,418	2,674	4,363	(4,363)	10,494
Other income							13,763
Unallocated expenses							(20,217)
Finance costs							(577)
Income tax expense							(2,580)
Profit for the financial year							883
Results:							
Included in the measure of segment profit are:							
Employee benefit expenses	4,242	1,317	-	-	-	-	5,559
Depreciation	1,112	-	-	-	-	-	1,112

A10. Changes in the composition of the Group

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

A11. Contingent assets and contingent liabilities

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim financial statements.

	Unaudited 12 months ended	
	31/12/2025 RM'000	31/12/2024 RM'000
Secured		
Bank guarantee	7,250	7,250

A12. Capital commitments

There were no capital commitments in current financial quarter under review.

A13. Significant related party transactions

The Group's transactions with companies in which the directors or substantial shareholders have an interest in for the current financial quarter were as follows:-

	|--- Individual Quarter ---| Unaudited		|--- Cumulative Quarter ---| Unaudited	
	31/12/2025 RM'000	31/12/2024 RM'000	31/12/2025 RM'000	31/12/2024 RM'000
Charged by a related party:				
- Rental of premise	17	33	116	132
- Legal consultancy services	-	39	48	174

These transactions have been entered into in the normal course of business.

A14. Fair value of financial liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current financial quarter under review.

A15. Valuation of property, plant and equipment

The Group has not carried out any valuation of its property, plant and equipment in the current financial quarter.

A16. Significant event subsequent to the end of the current interim financial quarter

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

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Group's Performance

(a) Results for current financial quarter

	Unaudited Quarter Ended		**Variance**	
	31/12/2025 ("Q4/25")	**31/12/2024 ("Q4/24")**		
	RM'000	**RM'000**	**RM'000**	**%**
Revenue	24,421	36,584	(12,163)	-33.25%
PBT	653	15,216	(14,563)	-95.71%

The Group recorded revenue of RM24.42 million for the current financial quarter Q4/25. This performance was primarily driven by the supply of manpower segment, which contributed RM17.93 million or approximately 73.42% of the total revenue. EPC and project management contributed RM5.82 million or approximately 23.82% for current financial quarter Q4/25. The remaining revenue contribution of RM0.67 million were collectively derived from supply of material, tools and equipment segment.

The Group's revenue for the current financial quarter Q4/25 decreased by RM12.16 million or 33.25% as compared to the corresponding financial quarter Q4/24. The decline was observed across all segments of the Group. The reduction in revenue was mainly attributable to lower contributions from EPC and project management segment, which decreased by 8.29 million or 58.78%, primarily due to the Bintulu Additional Gas Sales Facility 2 ("**BAGSF 2**") project nearing completion, resulting in reduced revenue contribution. In addition, revenue and from supply of manpower segment declined by RM2.62 million or 12.75% due to a slowdown in rig activities in Malaysia.

The Group's overall gross profit margin for the current financial quarter Q4/25 is 23.10%, mainly contributed by the supply of manpower segment. The gross profit margin shown a slight increase from 21.77% to 23.10% in the corresponding financial quarter Q4/24.

The Group's administrative expenses decreased by RM1.03 million for the current financial quarter Q4/25 compared to corresponding financial quarter Q4/24. The decrease was mainly attributable to lower withholding tax expenses and a lower net realised foreign exchange loss recorded during the current financial quarter. However, the overall reduction in administrative expenses was partially offset by higher staff related expenses and property, plant and equipment written off during the current financial quarter.

The Group recorded an impairment of trade and other receivables amounting to RM0.61 million and a reversal of impairment amounting to RM2.42 million during the current financial quarter Q4/25, following the receipt of previously impaired debts. The impairment is non-cash in nature and does not affect the Group's operating cash flows. The Group continues to pursue recovery efforts, including payment arrangements and legal avenues where appropriate.

(b) Comparison between financial year-to-date results

	Unaudited Cumulative Quarter Ended		Variance	
	31/12/2025 ("Q4/25")	31/12/2024 ("Q4/24")		
	RM'000	RM'000	RM'000	%
Revenue	110,578	123,636	(13,058)	-10.56%
PBT	4,236	3,463	773	22.32%

The Group recorded a revenue of RM110.58 million for the current cumulative financial quarter Q4/25. The revenue was contributed by supply of manpower segment amounting to RM80.68 million and EPC and project management segment amounting to RM24.43 million. The remaining revenue contribution of RM5.47 million were derived from supply of material, tools and equipment segment and drilling rig charter segment.

As compared to corresponding cumulative financial quarter Q4/24, the Group recorded a decrease in total revenue by RM13.06 million or 10.56%. The decline was mainly attributable to the EPC and project management segment, the supply of material, tools and equipment segment and drilling rig charter segment. The most significant reduction was from the EPC and project management segment, which decreased by RM11.84 million or 32.64%, primarily due to the BAGSF 2 project nearing its completion stage, resulting in lower revenue recognition during the current cumulative financial quarter Q4/25. In contrast, the increase in revenue from the supply of manpower segment was attributed to higher win rates despite the drop in rig count in the current cumulative financial quarter Q4/25.

All segments recorded a positive gross profit margin in current cumulative financial quarter Q4/25 contributing to an overall gross profit margin of 24.63%, compared 8.49% in the corresponding cumulative financial quarter Q4/24. This increase was mainly due to the impact of BAGSF 2 project losses has diminished as the BAGSF 2 project nears completion in current cumulative financial quarter Q4/25.

The reduction in administrative expenses by RM0.36 million for the current cumulative financial quarter Q4/25 as compared to corresponding cumulative financial quarter Q4/24 was mainly due to lower withholding tax expenses. The Group recorded an impairment of trade and other receivables amounting to RM6.85 million and a reversal of impairment amounting to RM2.42 million during the current cumulative financial quarter Q4/25, following the receipt of previously impaired debts.

B2. Comparison with immediate preceding quarter's results

	Unaudited Quarter Ended		Variance	
	31/12/2025 ("Q4/25")	30/09/2025 ("Q3/25")		
	RM'000	RM'000	RM'000	%
Revenue	24,421	28,876	(4,455)	-15.43%
PBT	653	(2,151)	2,804	130.36%

The Group's revenue for the current financial quarter Q4/25 decreased by RM4.46 million or 15.43% as compared to the immediate preceding financial quarter Q3/25. The decline was observed across all segments of the Group. The decrease in revenue was mainly attributable to the supply of manpower segment, which declined by RM2.86 million, and the EPC and project management segment, declined by RM1.18 million, following the completion of certain projects and rig activities in the preceding financial quarter.

The overall gross profit margin has shown a decrease from 26.08% in the immediate preceding financial quarter Q3/25 to 23.10% in current financial quarter Q4/25. The decrease was observed across all segments of the Group due to margin compression in order to remain competitive in the current market.

The administrative expenses increased by RM2.95 million in the current financial quarter Q4/25 as compared to preceding financial quarter Q3/25 is mainly due to higher staff related expenses, higher withholding tax expenses and property, plant and equipment written off during the current financial quarter. The Group recorded an impairment of trade and other receivables amounting to RM0.61 million and a reversal of impairment amounting to RM2.42 million during the current financial quarter Q4/25, following the receipt of previously impaired debts.

B3. Commentary on prospects

As we enter the first quarter of FY2026, global energy markets remain characterised by measured pricing conditions, disciplined operator spending and selective capital deployment. The operating environment continues to favour service providers with strong execution track records, cost control discipline and established client relationships.

Brent crude has continued to trade within the low-to-mid US$60 per barrel range, reflecting a balanced but cautious market. Supply growth from non-OPEC producers and the gradual unwinding of voluntary OPEC+ production adjustments have kept inventory levels relatively comfortable. At the same time, global demand growth remains moderate amid macroeconomic uncertainty and structural efficiency improvements.

Domestically, upstream activity remains resilient. PETRONAS' ongoing development programmes, facilities rejuvenation initiatives and continued exploration campaigns are underpinning activity levels across both Peninsular Malaysia and East Malaysia. Recent bid rounds and cluster awards reinforce sustained investor participation in both mature and frontier basins, particularly in small field developments and gas-weighted prospects.

B3. Commentary on prospects (Cont'd)

While natural field decline and production moderation remain structural realities, long-cycle investment in development wells, brownfield upgrades and asset optimisation continues to provide visibility across maintenance, construction and modification scopes.

East Malaysia in particular continues to demonstrate momentum, supported by basin revitalisation strategies and infrastructure-linked developments. This supports demand continuity across well services, offshore maintenance and integrated project scopes.

Industry-wide cost discipline persists, particularly in manpower-intensive segments. Operators continue to emphasise value-driven procurement and performance accountability, reinforcing the importance of reliability, safety performance and schedule adherence.

Utilisation across maintenance and production-support scopes has remained relatively stable, with selective uplift in turnaround and asset integrity programmes. Tender activity remains competitive, but contract awards are increasingly favouring contractors with proven delivery credentials and balance sheet stability.

Against this backdrop, the Group remains focused on execution excellence, disciplined bidding and market share preservation within its core Malaysian operations. Our priority continues to be margin integrity over volume expansion, ensuring that new contract pursuits align with operational strength, risk visibility and sustainable returns.

Stable utilisation across key workstreams reflects the resilience of our service offerings and long-standing client relationships. We continue to pursue opportunities in maintenance, well services and integrated brownfield scopes where our experience and delivery capability provide competitive advantage.

For Q1 FY2026 and the near term, we expect:

- A continued moderate oil price environment with cautious but steady upstream spending.
- Sustained domestic development and maintenance activity supporting base service demand.
- Gradual emergence of gas infrastructure and decarbonisation-aligned scopes.

Through disciplined capital management, client collaboration and operational reliability, the Group remains committed to supporting national production stability while positioning for sustainable growth across both conventional and transitional energy segments.

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B5. Taxation

	Individual Quarter Unaudited		Cumulative Quarter Unaudited	
	31/12/2025 RM'000	31/12/2024 RM'000	31/12/2025 RM'000	31/12/2024 RM'000
Malaysian Income Tax				
- Current tax	551	3,153	1,955	5,380
- (Over)/Under provision in prior years	-	-	(5,095)	3,147
- Deferred tax liabilities/(Assets)	(102)	2,122	5,997	(5,947)
	449	5,275	2,857	2,580
Effective tax rates	68.76% (1)	34.67% (2)	67.45% (1)	74.50% (2)

Notes:

(1) The Group's effective tax rate for the current financial quarter and current cumulative financial quarter is higher than the statutory income tax rate of 24%. This is primarily due to the losses incurred by certain subsidiaries that cannot be offset against taxable profits of other subsidiaries and also non-tax deductible expenses.

(2) The Group's effective tax rate for the preceding financial quarter and preceding cumulative financial quarter is higher than the statutory income tax rate of 24%. This is due to the project loss incurred in the BAGSF 2 project, which cannot be offset against taxable profits as the project is not yet completed, and losses incurred by certain subsidiaries that cannot be offset against taxable profits from other subsidiaries.

B6. Status update on memorandum of understanding ("MOU")

MOU between OVH and PCI Engineering (M) Sdn. Bhd. ("**PCIEM**")

On 8 April 2022, the Company has entered into a MOU with PCIEM to collaborate in forming a business venture to set up a pipeline coating business ("Cooperation Agreement") to serve the domestic market in Malaysia as well as South East Asia, Australia and its related region based on the understanding and commitments as contained in the MOU.

There has been no material development since the last update announcement on 25 November 2025.

B7. Status of corporate proposals

Save as disclosed below, there was no other corporate proposal undertaken by the Company as at the date of this interim financial report:-

On 21 July 2025, the Company announced to undertake the following proposals, duly approved by the shareholders at the Extraordinary General Meeting ("EGM") held on the same date:-

(i) Proposed Free Warrants issue of up to 209,969,782 Free Warrants in the Company ("Warrant(S)") on the basis of 1 Warrant for every 2 existing Ordinary Shares in the Company held by the shareholders of the Company whose names appear in the Record of Depositors of the Company on an entitlement date to be determined and announced later ("Proposed Free Warrants Issue"); and

(ii) Proposed Establishment of a New Share Issuance Scheme ("SIS") of up to 30% of the Total Number of Issued Shares in the Company (excluding treasury shares, if any) at any one time during the duration of the Scheme ("Proposed SIS")

("Collectively referred as "Proposals"")

(i) On 12 August 2025, the Company announced that 209,969,699 Warrants issued pursuant to the Free Warrants Issue will be admitted to the Official List of Bursa Malaysia Securities Berhad and the listing and quotation of the Warrants on the ACE Market will be granted with effect from 9.00 a.m., Wednesday, 13 August 2025. The Stock Short Name, Stock Number and ISIN Code of the Warrants are "OVH-WA", "0220WA" and "MYQ0220WA889".

The Proposed Free Warrants Issue was completed following the listing and quotation of the 209,969,699 warrants on 13 August 2025 on the ACE Market of Bursa Malaysia Securities Berhad.

On 13 February 2026, a shareholder exercised 350 Warrants at an exercise price of RM0.25 each. As at the reporting date, the Company is in the process of allotment and issuance of new ordinary shares for the abovementioned warrant exercise.

(ii) On 18 August 2025, the Company announced that the effective date for the implementation of the SIS is 18 August 2025, which is the date of full compliance of the SIS in accordance with Rule 6.44 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

On 02 December 2025, the Company offered 10 million options to eligible persons in accordance with the By-Laws of the SIS, with an exercise price of RM0.128 per share. On 17 December 2025, the eligible persons exercised the options granted under the SIS.

On 22 January 2026, the Company offered 21.50 million options to eligible persons in accordance with the By-Laws of the SIS, with an exercise price of RM0.130 per share.

B8. Status of utilisation of proceeds

Proceeds from the IPO

On 30 June 2020, the Company issued its prospectus in relation to the public issue of 82,200,000 new ordinary shares ("**Public Issue**") at RM0.26 per share in conjunction with the listing ("**IPO**"). The listing exercise of the Company's enlarged share capital of 411,000,000 shares on the ACE Market of Bursa Securities was completed on 22 July 2020.

On 21 July 2022, the Board had decided to extend the timeframe for the utilisation of IPO proceeds for an additional of 24 months from the initial timeframe for the utilisation of the IPO proceeds ("**First Extension Timeframe**").

On 19 July 2024, the Board had further extended the timeframe for the utilisation of IPO proceed for an additional 24 months from the First Extension Timeframe of up to 72 months from the date of listing.

The gross proceeds of RM21.37 million raised from the IPO are intended to be utilised in the following manner:-

Details of Utilisation	Proposed Utilisation	Actual Utilised	Unutilised Amount	Estimated timeframe for utilisation from Listing
	RM'000	RM'000	RM'000	
Broadening the range of support services	3,236	1,942	1,294	Within 72 months
Capital expenditure for the downstream O&G segment	8,592	3,954	4,638	Within 72 months
General working capital	6,544	6,018	526	Within 72 months
Listing expenses	3,000	3,000	-	Immediately
	21,372	14,914	6,458	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 30 June 2020.

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B9. Loans and borrowings

The Group's borrowings were as follows:

	Unaudited 12 months ended	
	31/12/2025 RM'000	31/12/2024 RM'000
<u>Secured</u>		
Current liabilities		
Hire purchase liabilities	360	371
Lease liabilities	624	393
Short term borrowing	-	1,516
	984	2,280
Non-current liabilities		
Hire purchase liabilities	243	604
Lease liabilities	1,525	488
	1,768	1,092
Total loans and borrowings	2,752	3,372

All the group's borrowings are denominated in Ringgit Malaysia.

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B10. Material litigation

Save and disclosed below, the Group is not engaged in any other material litigation as at the date of this interim financial report.

(i) Ocean Vantage Engineering Sdn Bhd ("OVE") v. Andeli Solar Sdn Bhd ("ASSB") and Kong Yeng Kin ("KYK") (Shah Alam High Court Suit No.: BA-22C-30-06/2023)

OVE initiated a legal action against ASSB and KYK for an outstanding sum of RM11,000,000. OVE's claim is for the work performed by OVE in its capacity as a sub-contractor to ASSB for a solar farm project ("**Project**") pursuant to a letter of award dated 4 November 2020 issued by ASSB to OVE ("**LOA**"). The legal action is also made against KYK as KYK has provided a guarantee and indemnity in favour of OVE for the Project sum. Subsequently, judgments in default have been entered against ASSB on 5 July 2023 and KYK on 25 September 2023 respectively, which includes interest at 5% per annum from 19 November 2021 onwards together with costs ("**Judgment**").

To enforce the Judgment, OVE filed a garnishee application against ASSB and a writ of seizure and sale against KYK. However, the garnishee application was later withdrawn due to insufficient funds in ASSB's bank accounts. The execution attempt for the writ of seizure and sale on 9 January 2024 was also unsuccessful as the occupant refused entry. The Judgment sum remains unsettled.

On 23 July 2024, OVE commenced a winding-up petition against ASSB bearing petition no. BA-28NCC-434-07/2024 at the Shah Alam High Court. However, the matter was deferred to 23 April 2025 to facilitate a settlement negotiation between ASSB and a third party. A subsequent winding up search conducted on ASSB revealed that ASSB has already been wound up by AimFlex Solutions Sdn Bhd since 10 September 2024. As a result, OVE withdrew its winding-up petition against ASSB on 23 April 2025. OVE had on 14 May 2025 lodged its proof of debt with the Malaysia Department of Insolvency. The solicitors of OVE are of the view that OVE is unlikely to recover the Judgment sum from ASSB and the extent of ASSB's assets available for distribution will only be determined at the creditor's meeting of ASSB.

Separately, OVE had on 30 April 2025 filed a bankruptcy notice against KYK. The case management in respect of the said bankruptcy notice has been fixed for 30 July 2025. In view of the fact that KYK is a guarantor, a leave application to commence bankruptcy proceedings against KYK was filed on 26 May 2025. At the hearing of the leave application on 8 August 2025, KYK's solicitors appeared before the Court. Nevertheless, the Court granted the leave application and fixed the next case management on 23 February 2026. The Bankruptcy Notice is deemed to have been properly served upon KYK on 11 August 2025, and KYK shall be deemed to have committed an act of bankruptcy on 21 August 2025. As at this reporting date, KYK and/or his solicitors have not filed any affidavit and/or application in respect of the bankruptcy proceedings. The matter is currently pending the filing of the creditor's petition. It is further noted that, to the best knowledge of OVE's solicitors, there are currently two other bankruptcy actions against KYK, filed by Malayan Banking Berhad and Affin Bank Berhad, respectively.

On 02 September 2025, the Group's management has decided to put on hold the filing of creditor's petition against KYK pending the outcome of the creditor's petition filed by Malayan Banking Berhad and Affin Bank Berhad.

B10. Material litigation (Cont'd)

(ii) OVE v. Petrofac Engineering Services (Malaysia) Sdn Bhd ("Petrofac")

OVE, a wholly owned subsidiary of OVH, as the unpaid party, has vide a payment claim dated 5 June 2025 initiated adjudication proceedings against Petrofac under the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA**") to recover payment for construction works carried out by OVE which remain unpaid as at 11 June 2025 ("**Payment Claim**").

In this regard, OVE is seeking, among others, payment of the outstanding sum of RM5,374,247.68 in respect of construction works that were duly performed and completed under the subcontract agreement dated 1 April 2022 between OVE and Petrofac ("**Subcontract Agreement**"). The Payment Claim was duly served on Petrofac on 10 June 2025. Pursuant to Section 6 of CIPAA, Petrofac is required to respond to the Payment Claim by 24 June 2025, either by admitting or disputing (in whole or in part) the claim, or by failing to respond, in which case Petrofac will be deemed to have disputed the entire claim. As at this reporting date, Petrofac has rejected the payment claim and OVE had issued a Notice of Adjudication to begin the formal adjudication process under CIPAA.

On 14 October 2025, the CIPAA proceedings has concluded with the issuance of adjudication decision as listed below:

1. OVE has succeeded in the claim and entitled to receive the adjudicated amount of RM5,374,247.68;
2. In accordance to Section 25 (o) of CIPAA, the award of interest to the adjudicated amount based on 5% simple interest per annum from the invoices' payment due date until the date of full payment;
3. Petrofac shall pay the Adjudicator's fees and the AIAC's administrative fees amounting to RM64,282.10. To the extent that OVE has paid any sum as advance security deposit to AIAC, Petrofac shall reimburse the same to OVE;
4. Petrofac shall reimburse OVE the AIAC registration fees, AIAC adjudicator appointment fees and cost related to the proceeding;
5. Petrofac shall reimburse OVE a sum of RM80,000.00 as party-to-party cost; and
6. The above payment shall be made not later than 30 calendar days from the released of this Adjudication Decision.

Until the date of the commencement of this adjudication proceeding, OVE has not received the said Adjudicated Sums as awarded by the learned Adjudicator. Accordingly, OVE has commenced enforcement proceedings on 20 January 2026 by filing an Originating Summons pursuant to Section 28 of CIPAA in the High Court of Sabah and Sarawak at Kuching, seeking to enforce the adjudication decision as a judgment or order of the Court. The matter is pending before the Court. The Group's management will make further announcements on any material developments as and when appropriate.

B11. Dividends proposed

There were no dividends proposed for the current financial quarter under review.

B12. Earnings Per Share ("EPS")

	|--- Individual Quarter ---| Unaudited		|--- Cumulative Quarter ---| Unaudited	
	31/12/2025 RM'000	31/12/2024 RM'000	31/12/2025 RM'000	31/12/2024 RM'000
Profit after tax attributable to owners of the Company	197	15,269	1,369	6,357
Weighted average number of ordinary shares ('000)	423,273	419,940	420,773	419,940
Basic EPS (sen)	0.05	3.64	0.33	1.51
Diluted EPS (sen)	0.05	3.64	0.33	1.51

The basic and diluted EPS are calculated based on the Group's profit after taxation attributable to owners of the parent divided by the number of ordinary shares deemed in issue during the financial period.

The Group has no dilution impact in their earnings per share as there was no potential dilutive ordinary shares during the current financial period.

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B13. Disclosure on selected expense/(income) items as required by the Listing Requirements

	|--- Individual Quarter ---| Unaudited		|--- Cumulative Quarter ---| Unaudited	
	31/12/2025 RM'000	**31/12/2024 RM'000**	**31/12/2025 RM'000**	**31/12/2024 RM'000**
Profit before tax is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- statutory audit	66	45	185	169
- other services	1	7	5	10
Depreciation of property, plant and equipment	549	454	2,163	2,221
Deposit written off	3	28	3	28
Gain on lease modification	-	(1)	(36)	(23)
Gain on disposal of a subsidiary	-	(13,056)	-	(13,056)
Loss from disposal of property, plant and equipment	19	-	18	-
Property, plant and equipment written off	580	-	580	-
Impairment loss on trade and other receivables	609	-	6,849	-
Reversal of impairment loss on trade receivables	(2,424)	-	(2,424)	-
Other receivables written off	10	-	10	-
Fair value adjustment on receivable measured at amortised cost	-	476	(476)	476
Fair value gain on other investments	(27)	-	(27)	-
Interest expense	151	55	369	577
Interest income	(95)	(150)	(152)	(217)
Net realised loss/(gain) on foreign exchange	67	(2,394)	877	(446)
Rental expense on:				
- Premises	19	162	72	193
- Machinery and equipment	172	1,834	1,057	7,228
Net unrealised loss/(gain) on foreign exchange	152	2,543	(403)	939

BY ORDER OF THE BOARD

24 February 2026