PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

INTERIM FINANCIAL STATEMENTS
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2026

CONTENTS

PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2026

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.03.2026	**Preceding year corresponding quarter 31.03.2025**	**Current year to date 31.03.2026**	**Preceding year corresponding year to date 31.03.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	286,835	285,800	1,260,528	1,103,505
Cost of sales	(259,874)	(250,600)	(1,137,179)	(978,500)
Gross profit	26,961	35,200	123,349	125,005
Other income	2,562	1,350	9,745	8,595
Selling and distribution expenses	(3,790)	(3,136)	(14,361)	(13,105)
Administrative expenses	(15,150)	(17,108)	(65,056)	(60,943)
Other operating expenses	(2,244)	(7,634)	(7,481)	(7,804)
Finance costs	(2,163)	(3,505)	(10,111)	(12,480)
Net impairment losses on financial assets and contract assets	(5,259)	(2,280)	(5,140)	(4,274)
Share of results in jointly controlled entities	139	(1)	644	10
Share of results in an associate	(284)	664	(225)	1,199
Profit before taxation	772	3,550	31,364	36,203
Income tax expense	(97)	(1,798)	(8,981)	(10,138)
Profit after taxation	675	1,752	22,383	26,065
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Cash flow hedge	314	685	(177)	264
Foreign currency translation	(151)	125	(901)	(1,085)
Total other comprehensive income	163	810	(1,078)	(821)
Total comprehensive income for the period	838	2,562	21,305	25,244
Profit after taxation attributable to owners of the Company	675	1,752	22,383	26,065
Total comprehensive income attributable to owners of the Company	838	2,562	21,305	25,244
Weighted average number of shares in issue ('000)	523,461	511,396	515,125	505,846
Earnings per ordinary share (sen):-				
-Basic	0.13	0.34	4.35	5.15
-Diluted	0.13	0.25	4.35	3.78

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2026

	31.03.2026 RM'000 (Unaudited)	31.03.2025 RM'000 (Audited)
ASSETS		
Non-current assets		
Investment in an associate	3,440	5,766
Investment in jointly controlled entities	1,907	293
Property, plant and equipment	43,912	47,044
Investment properties	8,735	8,927
Intangible assets	642	7,216
Other investments	8,247	10,630
Deferred tax assets	9,315	6,721
Goodwill	52,743	52,743
Trade receivables	4,060	3,363
	133,001	142,703
Current assets		
Inventories	99,063	88,135
Trade and other receivables	244,337	303,039
Contract assets	220,697	203,163
Short term investments	13,403	16,338
Derivative assets	208	88
Current tax assets	85	48
Deposits, cash and bank balances	39,306	55,158
	617,099	665,969
TOTAL ASSETS	750,100	808,672

PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2026 (CONT'D)

	31.03.2026 RM'000 (Unaudited)	31.03.2025 RM'000 (Audited)
EQUITY AND LIABILITIES		
Equity		
Share capital	277,922	180,677
Treasury shares	(2,313)	(2,313)
Redeemable convertible preference shares	-	97,245
Reserves	80,964	69,927
Total equity	356,573	345,536
Non-current liabilities		
Borrowings	10,795	13,351
Deferred tax liabilities	758	2,321
	11,553	15,672
Current liabilities		
Trade and other payables	190,704	146,370
Contract liabilities	7,048	3,451
Derivative liabilities	7	33
Borrowings:-		
- bank overdrafts	2,942	21,619
- other borrowings	167,968	262,165
Provision for employee benefits	8,422	9,098
Current tax liabilities	4,883	4,728
	381,974	447,464
Total liabilities	393,527	463,136
TOTAL EQUITY AND LIABILITIES	750,100	808,672
Net assets per ordinary share attributable to owners of the Company (RM)	0.51	0.68

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR TO DATE ENDED 31 MARCH 2026

				< -------------- Non-distributable	------------ >		<- Distributable- >	
12-month period ended 31.03.2026	**Share Capital RM'000**	**Treasury Shares RM'000**	**Redeemable Convertible Preference Shares RM'000**	**Reverse acquisition reserve RM'000**	**Foreign exchange translation reserve RM'000**	**Cash flow hedge reserve RM'000**	**Retained profits RM'000**	**Total equity RM'000**
Balance at 1.4.2025	180,677	(2,313)	97,245	(116,732)	6,025	83	180,551	345,536
Profit after taxation for the period	-	-	-	-	-	-	22,383	22,383
Other comprehensive income for the period, net of tax:-								
- Foreign currency translation	-	-	-	-	(901)	-	-	(901)
- Cash flow hedge	-	-	-	-	-	(177)	-	(177)
Total comprehensive income for the period	-	-	-	-	(901)	(177)	22,383	21,305
Contributions by and distributions to owners of the Company:-								
- Dividends	-	-	-	-	-	-	(10,268)	(10,268)
Total transactions with owners	-	-	-	-	-	-	(10,268)	(10,268)
Conversion of redeemable convertible preference shares	97,245	-	(97,245)	-	-	-	-	-
Balance at 31.03.2026	277,922	(2,313)	-	(116,732)	5,124	(94)	192,666	356,573

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR TO DATE ENDED 31 MARCH 2026

			< Non-distributable				<- Distributable- >	
12-month period ended 31.03.2025	**Share Capital RM'000**	**Treasury Shares RM'000**	**Redeemable Convertible Preference Shares RM'000**	**Reverse acquisition reserve RM'000**	**Foreign exchange translation reserve RM'000**	**Cash flow hedge reserve RM'000**	**Retained profits RM'000**	**Total equity RM'000**
Balance at 1.4.2024	156,379	(2,313)	121,543	(116,732)	7,110	(181)	160,492	326,298
Profit after taxation for the period	-	-	-	-	-	-	26,065	26,065
Other comprehensive income for the period, net of tax:-								
- Foreign currency translation	-	-	-	-	(1,085)	-	-	(1,085)
- Cash flow hedge	-	-	-	-	-	264	-	264
Total comprehensive income for the period	-	-	-	-	(1,085)	264	26,065	25,244
Contributions by and distributions to owners of the Company:-								
- Dividends	-	-	-	-	-	-	(6,006)	(6,006)
Total transactions with owners	-	-	-	-	-	-	(6,006)	(6,006)
Conversion of redeemable convertible preference shares	24,298	-	(24,298)	-	-	-	-	-
Balance at 31.03.2025	180,677	(2,313)	97,245	(116,732)	6,025	83	180,551	345,536

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD **[Registration No. 197401002551 (18904-M)]**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR TO DATE ENDED 31 MARCH 2026

	Current year to date 31.03.2026 RM'000	Preceding year Corresponding year to date 31.03.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	31,364	36,203
Adjustments for:-		
Allowance for impairment losses on receivables	6,518	5,549
Allowance for impairment losses on contract assets	4,699	465
Allowance for impairment losses on contract assets no longer required	(170)	(382)
Allowance for impairment losses on receivables no longer required	(5,907)	(1,358)
Allowance for slow-moving inventories	3,081	3,788
Allowance for slow-moving inventories no longer required	(473)	(357)
Amortisation of intangible assets	2,171	3,155
Depreciation of property, plant and equipment	11,885	11,743
Depreciation of investment properties	192	196
Fair value gain on derivatives	(38)	(1)
Fair value loss/(gain) on other investments	2,383	(806)
Gain on disposal of intangible asset	(1)	-
Gain on disposal of property, plant and equipment	(627)	(380)
Gain on derecognition of leases	(42)	(26)
Impairment losses on intangible assets	2,640	4,016
Intangible assets written off	1,760	-
Interest expense	10,111	12,479
Interest income	(646)	(448)
Provision for employee benefits	8,364	9,929
Share of results in jointly controlled entities	(644)	(10)
Share of results in an associate	225	(1,199)
Unrealised (gain)/loss on foreign exchange	(27)	7
Operating profit before working capital changes	76,818	82,563
Increase in inventories	(13,624)	(22,317)
Net increase in contract assets	(18,467)	(15,546)
Decrease/(increase) in trade and other receivables	55,616	(1,264)
Increase in trade and other payables	41,559	6,072
Employee benefits paid	(9,029)	(6,459)
CASH FROM OPERATING ACTIVITIES	132,873	43,049
Interest paid	(8,621)	(10,716)
Interest received	637	440
Income tax paid	(13,908)	(10,780)
Income tax refunded	827	14
NET CASH FROM OPERATING ACTIVITIES	111,808	22,007

PANSAR BERHAD [Registration No. 197401002551 (18904-M)]

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR TO DATE ENDED 31 MARCH 2026 (CONT'D)

	Current year to date 31.03.2026 RM'000	Preceding year Corresponding year to date 31.03.2025 RM'000
CASH FLOWS FOR INVESTING ACTIVITIES		
Dividend received from an associate and jointly controlled entities	2,100	1,257
Investment in jointly-controlled entities	(969)	(51)
Proceeds from disposal of intangible assets	3	-
Proceeds from disposal of property, plant and equipment	1,326	590
Purchase of intangible assets	(10)	(69)
Purchase of property, plant and equipment	(3,680)	(6,451)
Return of capital from investment in a jointly controlled entity	-	740
NET CASH FOR INVESTING ACTIVITIES	(1,230)	(3,984)
CASH FLOWS FOR FINANCING ACTIVITIES		
Decrease in pledged deposits with licensed bank	-	282
Dividend paid	(6,417)	(6,006)
Interest paid on long-term borrowings	(1,490)	(1,763)
Net of (repayment)/drawdown of bankers' acceptance	(31,063)	10,248
Net of (repayment)/drawdown of invoice financing	(18,538)	5,174
Net of (repayment)/drawdown of revolving credit	(40,300)	3,500
Repayment of hire purchase liabilities	(2,378)	(2,602)
Repayment of lease liabilities	(4,201)	(3,295)
Repayment of term loans	(6,000)	(6,000)
NET CASH FOR FINANCING ACTIVITIES	(110,387)	(462)
NET INCREASE IN CASH AND CASH EQUIVALENTS	191	17,561
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(301)	(330)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	49,877	32,646
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	49,767	49.877
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash and bank balances	39,306	55,158
Bank overdrafts	(2,942)	(21,619)
Short-term investments	13,403	16,338
	49,767	49,877

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and the accompanying explanatory notes attached to the interim financial statements.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The unaudited interim financial statements have been prepared in accordance with *MFRS 134: Interim Financial Reporting* issued by Malaysian Accounting Standards Board, *IAS 34: Interim Financial Reporting* issued by International Accounting Standards Board and *paragraph 9.22 of the Main Market Listing Requirements* of Bursa Malaysia Securities Berhad.

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

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2025, except as follows:

On 1 April 2025, the Group adopted the following Amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2025:-

- Amendments to *MFRS 121: Lack of Exchangeability*

The adoption of the abovementioned MFRSs, Amendments to MFRSs and IC Interpretations (including the consequential amendments) did not have any material impact on the financial statements of the Group.

A2 Comments about seasonality or cyclicality of operations

The business of the Group is not subject to seasonal or cyclical fluctuations.

A3 Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size or incidence during the current quarter under review.

A4 Changes in estimates

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

A5 Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities for the current quarter under review except as disclosed below:-

During the quarter under review, the Company increased its issued ordinary shares by 181,619,675 to 699,014,150 pursuant to the mandatory conversion of the balance of Redeemable Convertible Preference Share (“RCPS”).

A6 Dividend paid

During the current quarter under review, the Board of Directors declared a final preferential dividend of 2.12 sen per RCPS in respect of the financial year ended 31 March 2026. The total dividend of RM3,850,337 was subsequently paid on 9 April 2026.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 **Segmental information**

The following is an analysis of the Group's revenue and results by reportable segments:-

(a) **Business segments**

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to date 31.03.2026 RM'000
Revenue								
External revenue	177,577	151,529	41,541	54,000	26,057	82,625	727,199	1,260,528
Inter-segment revenue	245	16,598	-	11,342	23,023	11,180	-	62,388
	177,822	168,127	41,541	65,342	49,080	93,805	727,199	1,322,916
Adjustments and eliminations								(62,388)
Consolidated revenue								1,260,528
Results								
Segment results	28,948	14,041	2,006	2,293	2,176	5,594	15,304	70,362
Adjustments and eliminations	-	-	-	-	741	1,625	-	2,366
	28,948	14,041	2,006	2,293	2,917	7,219	15,304	72,728
Share of results in jointly controlled entities								644
Share of results in an associate								(225)
Unallocated income								2,166
Unallocated expenses								(43,949)
Consolidated profit before taxation								31,364

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 **Segmental information (cont'd)**

(a) Business segments (cont'd)

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to Date 31.03.2026 RM'000
Assets								
Segment assets	92,469	39,262	12,296	29,169	23,591	60,801	369,901	627,489
Investment in an associate								3,440
Investment in jointly controlled entities								1,907
Goodwill								52,743
Unallocated assets								55,206
Deferred tax assets								9,315
Consolidated total assets								750,100

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 **Segmental information**

The following is an analysis of the Group's revenue and results by reportable segments:-

(a) Business segments

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to date 31.03.2025 RM'000
Revenue								
External revenue	226,096	169,997	39,170	45,745	27,966	88,682	505,849	1,103,505
Inter-segment revenue	196	24,267	5	2,192	15,606	2,704	-	44,970
	226,292	194,264	39,175	47,937	43,572	91,386	505,849	1,148,475
Adjustments and eliminations								(44,970)
Consolidated revenue								1,103,505
Results								
Segment results	38,487	9,002	2,247	1,914	1,608	8,009	10,839	72,106
Adjustments and eliminations	-	-	-	-	736	1,483	-	2,219
	38,487	9,002	2,247	1,914	2,344	9,492	10,839	74,325
Share of results in jointly controlled entities								10
Share of results in an associate								1,199
Unallocated income								2,256
Unallocated expenses								(41,587)
Consolidated profit before taxation								36,203

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 **Segmental information (cont'd)**

(a) Business segments (cont'd)

	Marine & Industrial RM'000	Building & Construction Materials RM'000	Agro Engineering RM'000	Electrical & Air Conditioning RM'000	Heavy Equipment RM'000	Mechanical & Electrical RM'000	Construction & Infrastructure RM'000	Year to date 31.03.2025 RM'000
Assets								
Segment assets	110,360	64,693	16,737	26,942	16,974	63,751	382,978	682,435
Investment in an associate								5,766
Investment in jointly controlled entities								293
Goodwill								52,743
Unallocated assets								60,714
Deferred tax assets								6,721
Consolidated total assets								808,672

(b) Geographical segments

	Year to date 31.03.2026 RM'000	Year to date 31.03.2025 RM'000
Total revenue from external customers		
- Malaysia	1,250,833	1,089,588
- Singapore	9,695	13,917
	1,260,528	1,103,505

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A8 **Property, plant and equipment**

(a) Acquisition and disposal of property, plant and equipment

There was no material acquisition or disposal of property, plant and equipment since the end of last financial year.

(b) Impairment losses

Neither loss from impairment of property, plant and equipment nor reversal of such impairment losses was recognised since the end of last financial year.

(c) Valuation

As at 31 March 2026, the Group did not have any revalued assets.

A9 **Subsequent events**

There were no material subsequent events as at 21 May 2026.

A10 **Changes in the composition of the Group**

There were no changes in the composition of the Group for the period ended 31 March 2026.

A11 **Contingent liabilities**

As at 21 May 2026, there were no material contingent liabilities or contingent assets which, upon being enforceable, might have a material impact on the financial position or business of the Group.

A12 **Capital commitment**

The capital commitments of the Group as at 31 March 2026 were as follows:

	RM'000
Purchase of property, plant and equipment	772

A13 **Significant related party transactions**

	Quarterly ended		**Year to date**	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Transactions with holding company	922	664	3,531	2,464
Transactions with other related parties	12,108	8,831	45,113	38,060

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 **Review of performance**

For the year ended 31 March 2026, the Group registered revenue of RM1.3 billion, an increase of 14.2% or RM157.0 million compared to RM1.1 billion reported in the preceding year. The revenue growth was mainly driven by the Construction & Infrastructure segment.

The Group posted a net profit of RM22.4 million for the financial year ended 31 March 2026 compared with RM26.1 million a year earlier.

Marine & Industrial Segment

Quarterly results

Marine and Industrial segment's operating profit decreased by 79.1% year-on-year to RM1.9 million in 4QFY26, while revenue declined by 58.1% to RM26.0 million from RM62.0 million a year ago, attributable to lower marine engine sales.

Financial year-to-date

For YTD 4QFY26, the segment registered revenue of RM177.6 million, representing a 21.5% year-on-year decrease or RM48.5 million, mainly due to lower marine engines sales. Operating profit also declined by 24.8% to RM28.9 million from RM38.5 million a year earlier.

Building & Construction Materials Segment

Quarterly results

For the quarter under review, Building & Construction Materials segment's revenue declined 26.5% year-on-year to RM28.8 million, mainly due to lower sales of infrastructure construction materials, while operating profit increased almost six-fold, mainly due to higher write-back of impairment on trade receivables.

Financial year-to-date

For YTD 4QFY26, the segment's revenue declined by 10.9% to RM151.5 million from RM170.0 million a year ago, mainly due to lower sales of infrastructure construction materials. Nevertheless, operating profit increased by 56.0% year-on-year to RM14.0 million, supported by higher write-back of impairment on trade receivables.

Agro Engineering Segment

Quarterly results

On a quarter-on-quarter basis, Agro Engineering segment's operating profit rose 54.8% to RM0.5 million in 4QFY26, driven by an improved product mix. Revenue remained stable at RM7.8 million compared to the same quarter last year.

Financial year-to-date

For YTD 4QFY26, the segment recorded revenue of RM41.5 million, up 6.1% year-on-year, while operating profit declined by 10.7% to RM2.0 million, mainly due to higher provisions for receivables and slow-moving inventories.

Electrical & Air Conditioning Segment

Quarterly results

Compared to the previous corresponding quarter, the Electrical & Air Conditioning segment's revenue for 4QFY26 rose 33.6% to RM12.5 million, while operating profit was marginal, mainly due to impairment of trade receivables, as opposed to operating losses in the corresponding quarter.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1 **Review of performance (Cont'd)**

Electrical & Air Conditioning Segment

Financial year-to-date

For the current financial period, the segment's revenue rose 18.1% year-on-year to RM54.0 million, driven by higher sales of air conditioners, M & E ancillary and lighting products. This resulted in a 19.8% increase in operating profit over the same period.

Heavy Equipment Segment

Quarterly results

Heavy Equipment segment recorded revenue of RM6.0 million and operating profit of RM0.3 million for the quarter. This represents a 21.6% decrease in revenue and a 41.5% decrease in operating profit compared to the same quarter last year.

Financial year-to-date

For YTD 4QFY26, the segment posted a 24.5% year-on-year increase in operating profit to RM2.9 million, despite a 6.8% decline in revenue to RM26.1 million from the previous corresponding period, driven by a more favourable sales mix.

Mechanical & Electrical Segment

Quarterly results

Revenue for Mechanical & Electrical segment decreased by 7.6% from RM25.4 million in 4QFY25 to RM23.5 million in 4QFY26, primarily attributable to lower project progress during the quarter.

Operating profit declined by 71.9% year-on-year to RM1.2 million, mainly due to impairment losses recognised on project receivables and contract assets.

Financial year-to-date

Revenue decreased by 6.8% year-on-year to RM82.6 million, while operating profit decreased by 24.0% to RM7.2 million, mainly due to impairment losses on financial assets and contract assets, despite a higher project margin.

Construction & Infrastructure Segment

Quarterly results

Construction & Infrastructure segment achieved revenue of RM182.4 million in 4QFY26, representing a 35.6% year-on-year increase, driven by stronger execution and improved progress of ongoing projects. Nevertheless, operating profit for the quarter declined by 31.2% to RM1.3 million, mainly due to prudent cost adjustments as well as an impairment loss recognised on contract assets.

Financial year-to-date

For YTD 4QFY26, the segment reported a 41.2% increase in operating profit to RM15.3 million, compared with RM10.8 million in the corresponding period last year, supported by a 43.8% increase in revenue to RM727.2 million due to higher work progress from ongoing and new projects.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B2 **Material changes in profit before tax for the quarter**

For the current quarter under review, the Group recorded profit before tax of RM0.8 million on the back of revenue of RM286.8 million, compared to profit before tax of RM11.9 million and revenue of RM355.8 million in the immediate preceding quarter. The decline in performance was mainly attributable to lower operating profit from the Marine & Industrial segment and higher net impairment losses on financial assets and contract assets.

B3 **Commentary on prospects**

The Malaysian economy grew 5.4% in the first quarter of 2026, though headline inflation also increased by 1.6% due to some pass-through of higher global costs. The MYR strengthened slightly against the USD (+3.3%) and JPY (+4.1%), our major supplier's currencies. There was also growth in the construction and infrastructure segments particularly in the public sector. Agriculture strengthened slightly with palm oil holding stably above RM4,000/ton. We are closely monitoring our costs, inventories and credit quality in light of the expectation of higher inflation going forward. While risks and uncertainties remained elevated, we expect a stable quarter going ahead.

B4 **Profit forecast and profit guarantee**

Not applicable as no profit forecast was announced.

B5 **Income tax expense**

	Quarter ended		Year to date	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:-				
- Malaysian tax	1,763	4,445	13,510	14,396
- Foreign tax	-	4	-	8
	1,763	4,449	13,510	14,404
Under/ (over) provision in the previous financial year:-				
- Malaysian tax	-	73	(306)	58
- Foreign tax	-	-	(3)	-
	1,763	4,522	13,201	14,462
Deferred tax:-				
- Origination and reversal of temporary differences	(1,657)	(3,081)	(4,408)	(4,712)
- (Over)/ under provision in the previous financial year	(9)	357	188	388
	(1,666)	(2,724)	(4,220)	(4,324)
	97	1,798	8,981	10,138

B6 **Corporate proposals**

As at 21 May 2026, there were no corporate proposals announced.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B7 **Borrowings**

The Group's borrowings as at 31 March 2026 were as follows:-

	Total RM'000
Long-term borrowings:-	
Hire purchase liabilities, secured	1,474
Lease liabilities	9,321
	10,795
Short-term borrowings:-	
Bank overdrafts, secured	2,942
Bankers' acceptance, secured	20,900
Hire purchase liabilities, secured	2,086
Invoice financing, unsecured	50,521
Lease liabilities	4,261
Revolving credit, secured	5,000
Revolving credit, unsecured	84,200
Term loans, secured	1,000
	170,910
Total borrowings	**181,705**

B8 **Derivative financial instruments**

The outstanding foreign currency forward contracts as at 31 March 2026 were as follows:-

	Contract / notional amount RM'000	Assets RM'000	Liabilities RM'000
<u>Derivative not designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	1,795	38	-
<u>Derivative designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	14,194	170	(7)
	15,989	208	(7)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B8 Derivative financial instruments (Cont'd)

The Group enters into foreign currency forward contracts to hedge against the Group's exposure to foreign currency risks as a result of purchases denominated in currencies other than its functional currency for which firm commitments existed at the end of the reporting period.

There were no cash requirements for these derivatives and they are not subject to significant credit risk, market risk and liquidity risk.

In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments. These derivatives and their underlying exposures will be monitored on an on-going basis.

With respect to derivatives not designated as hedging instruments, they are stated at fair value, with any gains/losses arising on remeasurement recognised in profit or loss. These fair value changes are attributable to changes in foreign exchange spot and forward rates.

For those derivatives designated as hedging instruments (cash flow hedge), the effective portion of changes in fair value of those derivatives is recognised in other comprehensive income. The gain or loss in relation to ineffective portion is recognised immediately in profit or loss.

B9 Gain arising from fair value changes in financial liabilities

	Current quarter gain RM'000	Year to date gain RM'000
Foreign currency forward contracts	370	26

B10 Changes in material litigation

As at 21 May 2026, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and has no knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group.

B11 Dividend payable

No interim dividend has been declared for the financial period ended 31 March 2026.

B12 Earnings per share

(a) Basic earnings per share

	Quarter ended		Year to date	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
Profit for the period attributable to the owners of the Company (RM'000)	675	1,752	22,383	26,065
Weighted average number of ordinary shares in issue ('000)	523,461	511,396	515,125	505,846
Basic earnings per share (sen)	0.13	0.34	4.35	5.15

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B12 **Earnings per share (Cont'd)**

(b) Diluted earnings per share

	Quarter ended		Year to date	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit for the period attributable to the owners of the Company (RM'000)	675	1,752	22,383	26,065
Weighted average number of ordinary shares adjusted for the effect of dilution ('000)	523,461	694,505	515,125	689,530
Diluted earnings per share (sen)	0.13	0.25	4.35	3.78

B13 **Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the Company and its subsidiaries for the financial year ended 31 March 2025 was not subject to any qualification.

B14 **Profit for the year**

	Quarter ended		Year to date	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Allowance for slow-moving inventories	918	3,617	3,081	3,788
Allowance for slow-moving inventories no longer required	199	197	(473)	(357)
Bad debts written off	-	(5)	-	-
Bad debts recovered	-	(12)	-	(12)
Collective impairment losses on receivables	588	2,499	2,018	4,422
Collective impairment losses on receivables no longer required	(958)	77	(4,813)	(359)
Depreciation and amortisation	3,431	4,084	14,248	15,094
Fair value (gain)/loss on other investments	(2,052)	(146)	2,383	(806)
Fair value gain on short-term investments	(102)	(112)	(526)	(351)
Impairment losses on contract assets	4,699	465	4,699	465
Impairment losses on contract assets no longer required	(170)	(382)	(170)	(382)
Impairment losses on intangible assets	(434)	4,016	2,640	4,016
Individual impairment losses on receivables	1,362	(149)	4,500	1,127
Individual impairment losses on receivables no longer required	(262)	(230)	(1,094)	(999)
Intangible assets written off	1,760	-	1,760	-
Interest expense	2,163	3,505	10,111	12,479
Interest income	(407)	(114)	(646)	(448)
Loss on forward foreign currency contracts	23	-	103	90
Loss/(gain) on derecognition of leases	1	(8)	(42)	(26)
Gain on disposal of intangible assets	-	-	(1)	-
Gain on disposal of property, plant and equipment	(295)	(307)	(627)	(380)
Realised gain on foreign exchange	(283)	(578)	(2,711)	(3.057)
Realised loss on derivatives	-	12	1	24
Unrealised loss/(gain) on foreign exchange	209	461	(27)	7
Unrealised loss/(gain) on derivatives	3	10	(38)	(1)