POS MALAYSIA BERHAD

(Registration No. 199101019653 (229990-M))
(Incorporated in Malaysia)

Interim Financial Report for the Financial Period
Ended 31 March 2026

POS MALAYSIA BERHAD
(Registration No. 199101019653 (229990-M))
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

The Board of Directors hereby announce the unaudited consolidated financial results of Pos Malaysia Group ("the Group") for the financial quarter/period ended 31 March 2026.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Financial Quarter/Period 3 Months Ended	
		31.03.2026 RM'000	**31.03.2025 RM'000**
Revenue		501,357	467,060
Cost of sales and operating expenses		(496,559)	(491,617)
Other income		7,361	8,514
Other expenses		(10,529)	(8,548)
Profit/(Loss) from operations		1,630	(24,591)
Finance costs		(14,729)	(12,729)
Share of result of an associated company (net of tax)		7	9
LOSS BEFORE ZAKAT AND TAXATION		**(13,092)**	**(37,311)**
Zakat		(564)	(335)
LOSS BEFORE TAXATION		**(13,656)**	**(37,646)**
Taxation	18	(5,463)	(3,558)
LOSS FOR THE FINANCIAL QUARTER/PERIOD		**(19,119)**	**(41,204)**
OTHER COMPREHENSIVE INCOME/ (LOSS)			
Item that will be subsequently reclassified to profit or loss			
Currency translation differences for foreign operations		1,662	(217)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL QUARTER/PERIOD (NET OF TAX)		**1,662**	**(217)**
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL QUARTER/ PERIOD (NET OF TAX)		**(17,457)**	**(41,421)**

POS MALAYSIA BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	**Financial Quarter/Period 3 Months Ended**	
		31.03.2026 RM'000	**31.03.2025 RM'000**
(Loss)/Profit for the financial quarter/period attributable to:			
Owners of the Company		(19,544)	(41,524)
Non-controlling interest		425	320
		(19,119)	**(41,204)**
Total comprehensive (loss)/income for the financial quarter/period attributable to:			
Owners of the Company		(17,882)	(41,741)
Non-controlling interest		425	320
		(17,457)	**(41,421)**
Basic and diluted loss per share (sen)	23	***(2.50)***	***(5.30)***

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2025 and the explanatory notes attached to the interim financial report.

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POS MALAYSIA BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited as at 31.03.2026 RM'000	Audited as at 31.12.2025 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		550,864	567,988
Investment properties		42,080	42,080
Right-of-use assets		252,780	260,040
Intangible assets		116,403	117,066
Deferred tax assets		689	1,063
Investments in associates		40,953	40,946
Other investments		6,723	6,723
Derivative financial asset		1,626	1,626
		1,012,118	**1,037,532**
CURRENT ASSETS			
Trade and other receivables		784,998	727,814
Other investments		21,370	29,385
Inventories		10,815	9,858
Current tax assets		2,388	3,608
Deposits placed with licensed banks		56,440	53,020
Cash and bank balances		87,210	86,720
		963,221	**910,405**
TOTAL ASSETS		**1,975,339**	**1,947,937**
EQUITY AND LIABILITIES			
Share capital		1,071,392	1,071,392
Perpetual Sukuk		298,833	-
Reserves		(1,006,781)	(988,899)
Equity attributable to Owners of the Company		**363,444**	**82,493**
Non-controlling interest		7,178	6,753
TOTAL EQUITY		**370,622**	**89,246**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	20	43,000	-
Lease liabilities		59,317	62,687
Post-employment benefit obligations		-	563
Deferred tax liabilities		36,688	36,655
		139,005	**99,905**
CURRENT LIABILITIES			
Loans and borrowings	20	385,500	433,218
Lease liabilities		27,835	30,543
Current tax liabilities		5,064	4,401
Trade and other payables		1,047,313	1,290,624
		1,465,712	**1,758,786**
TOTAL LIABILITIES		**1,604,717**	**1,858,691**
TOTAL EQUITY AND LIABILITIES		**1,975,339**	**1,947,937**
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY* (RM)		**0.46**	**0.11**

* Based on 782,776,836 ordinary shares in issue.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2025 and the explanatory notes attached to the interim financial report.

POS MALAYSIA BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued and fully paid ordinary shares		Non-distributable							
	Number of Shares	**Amount**	**Perpetual Sukuk**	**Revaluation Reserve**	**Post-employment Benefits Reserve**	**Foreign Currency Translation Reserve**	**Accumulated Losses**	**Total**	**Non-controlling Interest**	**Total Equity**
	'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 January 2026	**782,777**	**1,071,392**	**-**	**1,144**	**(443)**	**4,434**	**(994,034)**	**82,493**	**6,753**	**89,246**
(Loss)/Profit for the financial period	-	-	-	-	-	-	(19,544)	**(19,544)**	425	**(19,119)**
Other comprehensive Income for the financial period	-	-	-	-	-	1,662	-	**1,662**	-	**1,662**
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	1,662	(19,544)	**(17,882)**	425	**(17,457)**
<u>Transactions with Owners</u>										
Transfer of a subsidiary's reserve upon settlement	-	-	-	-	443	-	(443)	**-**	-	**-**
Issuance of Perpetual Sukuk	-	-	300,000	-	-	-	-	**300,000**	-	**300,000**
Transaction cost charged to Perpetual Sukuk	-	-	(1,167)	-	-	-	-	**(1,167)**	-	**(1,167)**
At 31 March 2026	**782,777**	**1,071,392**	**298,833**	**1,144**	**-**	**6,096**	**(1,014,021)**	**363,444**	**7,178**	**370,622**

POS MALAYSIA BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Issued and fully paid ordinary shares		Non-distributable						
	Number of Shares	**Amount**	**Revaluation Reserve**	**Post-employment Benefits Reserve**	**Foreign Currency Translation Reserve**	**Accumulated Losses**	**Total**	**Non-controlling Interest**	**Total Equity**
	'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 January 2025	**782,777**	**1,071,392**	**1,144**	**(443)**	**4,917**	**(784,772)**	**292,238**	**5,406**	**297,644**
(Loss)/Profit for the financial period	-	-	-	-	-	(41,524)	**(41,524)**	320	**(41,204)**
Other comprehensive loss for the financial period	-	-	-	-	(217)	-	**(217)**	**-**	**(217)**
Total comprehensive (loss)/income for the financial period	-	-	-	-	(217)	(41,524)	**(41,741)**	320	**(41,421)**
At 31 March 2025	**782,777**	**1,071,392**	**1,144**	**(443)**	**4,700**	**(826,296)**	**250,497**	**5,726**	**256,223**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2025 and the explanatory notes attached to the interim financial report.

POS MALAYSIA BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 Months Ended 31.03.2026 RM'000	3 Months Ended 31.03.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax for the financial period	(13,656)	(37,646)
Adjustments:		
- Depreciation of property, plant and equipment	18,989	22,559
- Depreciation of right-of-use assets	9,857	11,360
- Amortisation of intangible assets	663	663
- Amortisation of government grant	(177)	(229)
- Net fair value gain of other investments:		
Financial assets at fair value through profit or loss	(180)	(32)
- Finance costs	14,729	12,729
- Gain from derecognition of right-of-use assets	(126)	-
- Gain on remeasurement of lease liabilities	-	(15)
- Gain on settlement of retirement benefit	(339)	-
- Finance income	(442)	(249)
- Net unrealised foreign exchange differences	6,807	(1,164)
- Net (gain)/loss on impairment of receivables	(417)	2,520
- Net gain on disposal of property, plant and equipment	(13)	(1,969)
- Impairment loss of property, plant and equipment	2,066	-
- Property, plant and equipment written off	357	19
- Net inventories written down	71	254
- Zakat	564	335
- Share of result of an associated company (net of tax)	(7)	(9)
- Others	-	7
Operating profit before changes in working capital	38,746	9,133
Changes in working capital:		
Change in trade and other receivables and prepayment	(57,711)	(2,416)
Change in trade and other payables	34,630	(38,184)
Cash generated from/(used in) operations	15,665	(31,467)
Tax paid	(3,542)	(4,584)
Tax refund	412	-
Finance cost paid	(1,261)	(1,427)
Zakat refund	90	-
Defined benefits paid	(224)	-
Net cash generated from/(used in) operating activities	**11,140**	**(37,478)**

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	3 Months Ended 31.03.2026 RM'000	3 Months Ended 31.03.2025 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	442	249
Acquisition of property, plant and equipment	(6,231)	(6,609)
Proceeds from disposal of property, plant and equipment	105	3,111
Net proceeds from redemption of other investments	8,195	2,358
Net decrease in deposit pledged	-	(2)
Net cash generated from/(used in) investing activities	**2,511**	**(893)**
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/Loan from immediate holding company	(300,000)	60,000
Loan from related company	20,000	-
Drawdown on borrowings	28,512	30,592
Finance cost paid	(13,468)	(11,303)
Repayment of borrowings	(33,177)	(34,699)
Repayment of lease liabilities	(8,539)	(9,825)
Movement in restricted cash	(2,179)	(260)
Proceeds from issuance of Perpetual Sukuk	300,000	-
Payment of transaction costs on issuance of Perpetual Sukuk	(1,167)	-
Net cash (used in)/generated from financing activities	**(10,018)**	**34,505**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**3,633**	**(3,866)**
Effects of foreign currency translation	7	(60)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	122,587	114,166
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	**126,227**	**110,240**
Cash and cash equivalents included in the statement of cash flows comprise the following:		
Cash and bank balances	87,210	112,232
Deposits placed with licensed banks	56,440	20,379
Bank overdrafts	(858)	(1,015)
	142,792	131,596
Less: Collections on behalf of agency payables and money order payables**	(8,179)	(15,146)
Less: Deposits pledged	(581)	(567)
Less: Restricted cash	(7,805)	(5,643)
	126,227	**110,240**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2025 and the explanatory notes attached to the interim financial report.

** The amount of cash held on behalf of agency payables and money order payables are included under Trade and Other Payables in the Consolidated Statement of Financial Position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Reconciliation of liabilities arising from financing activities:

	Lease liabilities RM'000	Islamic term loans RM'000	Revolving credits RM'000	Loan from immediate holding company RM'000	Loan from related company RM'000	Invoice financing RM'000	Total RM'000
At beginning of the financial period	**93,230**	**151,000**	**243,275**	**359,450**	**212,400**	**38,032**	**1,097,387**
Net changes from financing cash flows:							
Acquisition of new leases	3,672	-	-	-	-	-	**3,672**
Remeasurement of lease liabilities	114	-	-	-	-	-	**114**
Termination of leases	(1,325)	-	-	-	-	-	**(1,325)**
Drawdown	-	-	-	-	20,000	28,512	**48,512**
Repayment	(8,539)	(1,000)	(2,287)	(300,000)	-	(29,890)	**(341,716)**
Total net changes from financing cash flows	**(6,078)**	**(1,000)**	**(2,287)**	**(300,000)**	**20,000**	**(1,378)**	**(290,743)**
At end of the financial period	**87,152**	**150,000**	**240,988**	**59,450**	**232,400**	**36,654**	**806,644**

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2025 and the accompanying notes attached to the unaudited condensed consolidated financial statements.

The interim financial statements have been prepared on a going concern basis despite the Group's losses incurred during the financial year ended 31 December 2025 and as of that date, its net current liabilities position.

The Group has prepared and considered prospective financial information based on assumptions and events that may occur for the next 12 months from reporting date and the possible actions to be taken by the Group. Prospective financial information includes the Group's cash flow forecasts for its operations. In preparing the cash flow forecasts, the Group has considered the availability of cash and fund investments, the ability to roll over the revolving credit facilities of the Group and financial support from its key stakeholders.

Accordingly, the Group believes that the preparation of the interim financial statements on a going concern basis is appropriate, based on the measures as disclosed above, to enable the Group to continue its operations and to meet its liabilities as they fall due for the next 12 months from the reporting date.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2025 except for the adoption of the following new amendments which are applicable to the Group with effect from 1 January 2026:

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Amendments to the classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

The initial application of the above amendments is not expected to have any material impact to the current period and prior period financial statements of the Group.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The Group's operations are not subject to any significant seasonal factors except that both mail and parcel volume can fluctuate during the festive season and at the beginning of calendar period.

4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

There was no material items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2026.

5. CHANGES IN ESTIMATES

There was no material change in the estimate of amounts reported in the prior financial period, that would have a material impact on this interim financial report.

6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

On 26 February 2026, the Company announced the establishment of a subordinated perpetual Islamic notes programme of up to RM1.0 billion under the Shariah principle of Wakalah Bi Al-Istithmar, to finance the Group's capital expenditure, investment activities, working capital, and general corporate purposes.

The first tranche of RM300.0 million was issued on 17 March 2026. The subordinated perpetual sukuk has no fixed maturity, is subordinated to senior creditors, and allows the Company to defer distribution payments at its discretion. Accordingly, the sukuk is classified as equity in accordance with MFRS 132 *Financial Instruments: Presentation*.

Save for the issuance of the subordinated perpetual sukuk, there was no issuance or repayment of debt or securities during the financial period ended 31 March 2026.

7. DIVIDENDS PAID

There was no dividend paid for the current financial period ended 31 March 2026.

8. SEGMENTAL INFORMATION

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different business processes and attend to different customer needs. For each of the strategic business units, the Group Chief Executive Officer (the chief operating decision maker) and the Board of Directors review internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

8. SEGMENTAL INFORMATION (CONTINUED)

Postal	Includes the provision of basic mail services for corporate and individual customers, courier, parcel and logistic solutions by sea, air and land to both national and international destinations, direct entry and transhipment and customised solutions such as Mailroom Management and Direct Mail and over-the-counter services for payment of bills and certain financial products and services.
Aviation	Includes cargo, ground handling, in-flight catering, freight forwarding, air cargo transport and engineering.
Logistics	Includes haulage services, air, road and ocean freight forwarding, shipping agency and chartering services, warehousing and distribution services.

The 'Others' segment includes the hybrid mail which provides data and document processing services, business of internet security products, solutions and services, Ar-Rahnu business including storage and safekeeping fees, buying and selling of investment precious metals, namely gold bars and dinars and rental income from investment properties held by the Group. None of these segments meets any of the quantitative thresholds for determining reportable segments in the current reporting period.

Information regarding the operations of each reportable segment is shown below. Performance is measured based on segment results. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within those industries. Inter-segment pricing is determined on a negotiated basis.

The information of each of the Group's business segments for the financial period ended 31 March 2026 are as follows:

8. SEGMENTAL INFORMATION (CONTINUED)

Financial period ended 31 March 2026	**Postal RM'000**	**Aviation RM'000**	**Logistics RM'000**	**Others RM'000**	**Elimination RM'000**	**Group RM'000**
Total external revenue	283,148	107,588	54,571	56,050	-	501,357
Intersegment revenue	8,068	7,974	275	1,510	(17,827)	-
Total revenue for reportable segments	**291,216**	**115,562**	**54,846**	**57,560**	**(17,827)**	**501,357**
Reportable segment results	**(19,702)**	**7,754**	**(13,058)**	**14,072**	**-**	**(10,934)**
Share of result of an associated company (net of tax)	-	-	-	7	-	7
Amortisation of intangible assets	-	(663)	-	-	-	(663)
Impairment loss of property, plant and equipment	-	(2,066)	-	-	-	(2,066)
Reportable segment results before taxation	**(19,702)**	**5,025**	**(13,058)**	**14,079**	**-**	**(13,656)**
Taxation	(483)	(1,346)	(20)	(3,614)	-	(5,463)
Reportable segment results after taxation	**(20,185)**	**3,679**	**(13,078)**	**10,465**	**-**	**(19,119)**
Attributable to:						
Owners of the Company						(19,544)
Non-controlling interest						425
						(19,119)

9. PROPERTY, PLANT AND EQUIPMENT

There is no revaluation of property, plant and equipment from the previous annual audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

10. SUBSEQUENT EVENT

There has not arisen in the interval between the end of this reporting period and the date of this announcement any item, transaction or event of a material and unusual nature that would substantially impact the results of the Group.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There is no change in the composition of the Group during the financial period ended 31 March 2026.

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets at the end of the reporting period other than what was reported in the last annual audited financial statements.

13. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting) the following:

	Financial Quarter/Period 3 Months Ended	
	31.03.2026 RM'000	**31.03.2025 RM'000**
Amortisation of intangible assets	663	663
Amortisation of government grant	(177)	(229)
Depreciation of property, plant and equipment	18,989	22,559
Depreciation of right-of-use assets	9,857	11,360
Net fair value gain of other investments:		
Financial assets at fair value through profit or loss	(180)	(32)
Net (gain)/loss on impairment of receivables	(417)	2,520
Finance costs	14,729	12,729
Property, plant and equipment written off	357	19
Net gain on disposal of property, plant and equipment	(13)	(1,969)
Gain from derecognition of right-of-use assets	(126)	-
Gain on remeasurement of lease liabilities	-	(15)
Gain on settlement of retirement benefits	(339)	-
Net inventories written down	71	254
Finance income	(442)	(249)
Net realised foreign exchange differences	(1,347)	377
Net unrealised foreign exchange differences	6,807	(1,164)
Impairment loss of property, plant and equipment	2,066	-

14. REVIEW OF GROUP PERFORMANCE

Group performance for the quarter ended 31 March 2026

The Group recorded revenues of RM501.4 million and a loss before tax of RM13.7 million for the current quarter ended 31 March 2026.

(a) Group revenue and (loss)/profit before taxation by segment are as follows:

	Revenue 3 Months Ended		(Loss)/Profit Before Tax 3 Months Ended	
	31.03.2026 RM'000	**31.03.2025 RM'000**	**31.03.2026 RM'000**	**31.03.2025 RM'000**
Postal	283,148	279,112	(19,702)	(34,605)
Aviation	107,588	93,005	5,025	3,666
Logistics	54,571	49,108	(13,058)	(11,957)
Others	56,050	45,835	14,079	5,250
Total	**501,357**	**467,060**	**(13,656)**	**(37,646)**

(i) Postal

The Postal segment recorded higher revenue primarily due to increased contribution from the courier business. This was partially offset by lower revenue from international mail services.

Loss before taxation improved mainly due to better performance across all segments.

(ii) Aviation

The Aviation segment recorded higher revenue, driven by increased in-flight catering, cargo, and ground handling activities. This resulted in an improvement in profit before taxation for the quarter.

(iii) Logistics

Revenue for the Logistics segment increased, mainly attributable to a stronger contribution from the automotive, freight forwarding, marine, and warehousing businesses.

However, the segment recorded a higher loss before taxation, mainly due to increased unrealised forex losses and finance costs, partially offset by improved margins and lower administrative expenses.

(iv) Others

The Other segment recorded higher revenue, underpinned by increased sales of digital certificates as well as the printing and insertion business. This resulted in an improvement in profit before taxation for the quarter.

15. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a 79.7% decrease in loss before tax to RM13.7 million in the current quarter ended 31 March 2026, compared to RM67.4 million in the preceding quarter ended 31 December 2025. This is due to higher revenue by RM33.6 million and lower cost of sales and operating expenses by RM26.3 million.

16. FUTURE PROSPECTS

The Group recorded revenue of RM501.4 million in Q1 FY2026, representing a 7.2% increase quarter-on-quarter (vs Q4 FY2025) and 7.3% growth year-on-year (vs Q1 FY2025). Loss before tax improved significantly by 79.7% quarter-on-quarter and 63.7% year-on-year. This improvement was driven by stronger revenue contributions from all segments particularly by Postal, Aviation, and Other segments.Additionally,ongoing cost efficiency initiatives helped to deliver a positive quarter.

For the Postal segment, parcel volumes increased by 24.6% year-on-year, driven by sustained e-commerce activity, with management continuing to prioritise margin accretion alongside volume growth. Nonetheless, the segment remains structurally challenged by the delivery of Universal Service Obligation (USO) requirements, continued declines in traditional mail volumes, and reduced retail footfall attributable to the accelerating pace of digitalisation. The regulatory landscape remains a key determinant of long-term sustainability, particularly with regard to USO reform and associated compensation. The Postal segment will continue to prioritise cost efficiency, network optimisation, and disciplined revenue improvement.

Pos Aviation is expected to maintain stable performance subject to prevailing geo-political market and operational conditions.

Pos Logistics continues to advance its business restructuring programme, with a focus on selective contract rationalisation, overhead reduction, and productivity improvement. Management is closely monitoring the pace of recovery against established milestones.

The Group remains focused on sustaining the trajectory of loss reduction, supported by the continued execution of its transformation plan, encompassing network rationalisation, digital channel expansion, and disciplined cost management. Nonetheless, the operating environment is expected to remain challenging, given structural industry pressures, competitive dynamics, and geopolitical uncertainties including developments in the Middle East, which may affect global freight rates, fuel costs, number of flights and air cargo volumes relevant to Pos Aviation's operations. The Group has implemented appropriate mitigation measures and will continue to manage its cost base and revenue mix with prudence.

17. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the current financial period in a public document.

18. TAXATION

Taxation comprises the following:

	Financial Quarter/Period 3 Months Ended	
	31.03.2026 RM'000	**31.03.2025 RM'000**
Current taxation	5,056	3,002
Deferred taxation	407	556
Total	**5,463**	**3,558**

For the financial period ended 31 March 2026, despite the Group recording losses, the current taxation charge arose from certain profit-making subsidiaries.

19. STATUS OF CORPORATE PROPOSAL

The Group has no corporate proposal announced that is not completed as at the date of this report.

20. GROUP LOANS AND BORROWINGS

Total Group loans and borrowings are as follows:

	Unaudited As At 31.03.2026 RM'000
Long-Term Borrowings	
Secured:	
Islamic term loan	**43,000**
Short-Term Borrowings	
Secured:	
Bank overdrafts	858
Revolving credits	240,988
Islamic terms loan	107,000
Invoice financing	36,654
Total	**385,500**
Grand Total	**428,500**

Apart from the following Ringgit Malaysia ("RM") equivalent of foreign currency borrowing, the rest of the borrowings are denominated in RM.

Secured	**Foreign Currency**	**Foreign '000**	**RM '000**
Invoice financing	USD	794	3,197

21. MATERIAL LITIGATIONS

Save as disclosed in the last annual audited financial statements, there is no other additional material litigation as at the date of this report.

22. DIVIDEND

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

23. LOSS PER SHARE

The basic and diluted loss per share have been calculated based on the Group's net loss attributable to Owners of the Company and weighted average number of ordinary shares outstanding during the financial quarter/period.

	Financial Quarter/Period 3 Months Ended	
	31.03.2026	**31.03.2025**
Net loss attributable to Owners of the Company (RM'000)	(19,544)	(41,524)
Number of ordinary shares in issue ('000)	782,777	782,777
Basic and diluted loss per share (sen)	**(2.50)**	**(5.30)**

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24. FINANCIAL INSTRUMENTS AT FAIR VALUE MEASUREMENTS

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.
The Group measured the financial instruments based on:

Level 1:	Derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.
Level 2:	Estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.
Level 3:	Estimated using unobservable inputs for the financial assets and liabilities.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
Financial assets										
Other investments	21,370	-	6,723	28,093	-	-	-	-	28,093	28,093
Derivative Asset	-	-	1,626	1,626	-	-	-	-	1,626	1,626
Financial liabilities Islamic term loan	-	-	-	-	-	-	137,971	137,971	137,971	150,000

The carrying amounts of cash and bank balances, other investments, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

25. COMMITMENTS

	As At 31.03.2026 RM'000	As At 31.03.2025 RM'000
Property, plant and equipment		
Contracted but not provided for	5,575	16,887

26. RELATED PARTIES TRANSACTIONS

	Financial Quarter/Period 3 Months Ended	
	31.03.2026 RM'000	**31.03.2025 RM'000**
Transactions		
Immediate holding company:		
Finance cost	(4,754)	(5,281)
Related companies:		
Sales of services	22,198	22,110
Rental income	2	6
Purchase of services	(5,164)	(5,496)
Management fees	(210)	(210)
Finance cost	(5,806)	(4,685)
Payment of lease liabilities	(54)	(37)
Associates:		
Sales of services	1,858	975
Transportation cost	(21,823)	(21,632)
Companies subject to common significant influence:		
Sales of services	7,286	12,781
Purchase of services	(1,927)	(3,035)
Rental expense	(285)	(34)
Balances		
Related companies:		
Lease liabilities	118	1,360

27. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's preceding annual audited financial statements was not subject to any qualification.

BY ORDER OF THE BOARD

SABARINA LAILA BINTI MOHD HASHIM (LS 0004324) SSM PC No. 201908001661
LEE SIEW YOKE (MAICSA 7053733) SSM PC No. 202008003820
COMPANY SECRETARIES

Kuala Lumpur
18 May 2026