SIN HENG CHAN (MALAYA) BERHAD

(Reg. No. 196201000185 (4690-V))
(Incorporated in Malaysia)

INTERIM REPORT FOR THE
FOURTH QUARTER ENDED
31 December 2025

CONTENTS

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR-TO-DATE	PRECEDING YEAR-TO-DATE
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	12,541	14,328	51,231	52,864
Cost of sales	(9,633)	(10,617)	(37,905)	(40,145)
Gross profit	2,908	3,711	13,326	12,719
Other income	1,297	1,948	5,070	6,605
Distribution costs	(525)	(223)	(1,260)	(1,002)
General and administrative expenses	(2,566)	(3,252)	(10,980)	(10,882)
Other operating expenses	(1,539)	(903)	(4,544)	(3,347)
	(425)	1,281	1,612	4,093
Finance costs	(2,369)	(2,482)	(9,393)	(10,037)
Share of results of an associate	4,681	3,898	16,649	15,686
Profit before tax	1,887	2,697	8,868	9,742
Tax expense	(193)	(786)	(449)	(1,008)
Profit after tax for the financial period/year	1,694	1,911	8,419	8,734
Total comprehensive income for the financial period/year	1,694	1,911	8,419	8,734
Profit attributable to:				
Equity holders of the Company	1,694	1,911	8,419	8,734
Total comprehensive income attributable to:				
Equity holders of the Company	1,694	1,911	8,419	8,734
Earnings per share				
Basic (sen)	0.53	0.64	2.74	2.95
Diluted (sen)	0.41	0.46	2.04	2.12

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this report.)

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025
(The figures have not been audited)

	AS AT 31 DEC 2025 RM'000	(AUDITED) AS AT 31 DEC 2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	137,688	116,801
Investment properties	321	330
Concession financial assets	38,667	41,278
Prepaid lease payments	14,588	15,000
Intangible assets	20,443	21,043
Investment in an associate	227,104	220,575
	438,811	415,027
Current Assets		
Inventories	4,038	4,502
Concession financial assets	2,611	2,457
Trade receivables	11,796	9,805
Other receivables, deposits and prepayments	6,934	5,267
Biological assets	709	1,196
Current tax assets	13	70
Other investments	3,278	16,829
Fixed deposits, cash and bank balances	20,638	20,980
	50,017	61,106
TOTAL ASSETS	488,828	476,133
EQUITY AND LIABILITIES		
Equity		
Share capital	214,355	183,005
Irredeemable convertible preference shares	6,600	37,950
Retained earnings	64,664	56,245
Equity attributable to equity holders of the Company	285,619	277,200
Non-Current Liabilities		
Borrowings	142,114	140,820
Finance lease liabilities	1,927	2,919
Other payables and accruals	396	95
Deferred tax liabilities	10,014	9,812
	154,451	153,646
Current Liabilities		
Trade payables	9,771	5,534
Other payables and accruals	5,701	4,425
Borrowings	31,703	33,395
Finance lease liabilities	1,499	1,887
Current tax liabilities	84	46
	48,758	45,287
TOTAL EQUITY AND LIABILITIES	488,828	476,133
Net assets per share (RM)	0.73	0.93
Number of ordinary shares ('000)	392,877	297,877

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this report.)

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025
(The figures have not been audited)

	Attributable to equity holders of the Company			
	Non-distributable		Distributable	
	Share Capital RM'000	Irredeemable Convertible Preference Shares ("ICPS") RM'000	Retained Earnings RM'000	Total RM'000
12 months period ended 31 December 2025				
At 1 January 2025	183,005	37,950	56,245	277,200
Conversion of ICPS to share capital	31,350	(31,350)	-	-
Net profit for the financial year	-	-	8,419	8,419
At 31 December 2025	214,355	6,600	64,664	285,619
12 months period ended 31 December 2024				
At 1 January 2024	181,355	39,600	47,511	268,466
Conversion of ICPS to share capital	1,650	(1,650)	-	-
Net profit for the financial year	-	-	8,734	8,734
At 31 December 2024	183,005	37,950	56,245	277,200

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this report.)

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025
(The figures have not been audited)

	12 MONTHS PERIOD ENDED 31 DEC 2025 RM'000	12 MONTHS PERIOD ENDED 31 DEC 2024 RM'000
Cash flows from operating activities		
Profit before tax	8,868	9,742
Adjustments for:		
Amortisation of prepaid lease payments, intangible assets and investment properties	1,021	1,078
Depreciation of property, plant and equipment	8,980	8,475
Dividend income	(250)	(259)
Fair value loss/(gain) on biological assets	487	(81)
Finance costs	9,393	10,037
Finance income from concession financial assets	(2,741)	(2,886)
Gain on disposal of property, plant and equipment	(243)	(135)
Loss/(Gain) on disposal of other investments	10	(66)
Interest income	(853)	(1,104)
Net unrealised gain on other investments	(99)	(841)
Share of results of an associate	(16,649)	(15,686)
Operating profit before changes in working capital	7,924	8,274
Changes in working capital:		
Decrease in concession financial assets	5,198	5,198
Decrease/(Increase) in inventories	464	(865)
Increase in trade and other receivables	(3,658)	(3,366)
Increase in trade and other payables	5,814	2,098
Net cash generated from operations	15,742	11,339
Income tax refunded	28	-
Income tax paid	(180)	(123)
Net cash generated from operating activities	15,590	11,216
Cash flows from investing activities		
Dividend received from an associate	10,120	10,560
Dividend received from other investments	250	259
Interest received	853	1,104
Proceeds from disposal of other investments	13,663	150
Proceeds from disposal of property, plant and equipment	243	135
Purchase of other investments	(23)	(181)
Purchase of property, plant and equipment	(29,867)	(27,367)
Net cash used in investing activities	(4,761)	(15,340)
Cash flows from financing activities		
Drawdown of borrowings	7,466	12,732
Repayment of borrowings	(10,377)	(12,353)
(Repayment)/Proceeds of finance lease liabilities	(1,380)	95
Interest paid	(8,619)	(9,189)
Net cash used in financing activities	(12,910)	(8,715)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,081)	(12,839)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	(1,966)	10,873
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	(4,047)	(1,966)
Cash and cash equivalents at end of the financial year consist of:		
Fixed deposits with licensed banks	17,056	20,291
Cash and bank balances	3,582	689
Less : Bank overdraft	(24,685)	(22,946)
	(4,047)	(1,966)

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this report.)

PART A : EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024. 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 December 2024.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the last audited financial statements for the financial year ended 31 December 2024.

The material accounting policies and methods of computation adopted are consistent with those of the most recent audited financial statements for the financial year ended 31 December 2024 except for the adoption of new and amended MFRSs which are relevant to its operations and effective for the financial periods beginning on or after 1 January 2025. The standards and amendments that have been issued and effectively beginning on or after 1 January 2025 are as follows:

a) **Standards, amendments to published standards and interpretations that are effective and adopted during the financial year**

- Amendments to MFRS 121: Lack of Exchangeability

b) **Standards and amendments that have been issued but not yet effective**

Effective for financial year beginning on or after 1 January 2026

- Annual Improvements to MFRS Accounting Standards - Volume 11
- Amendments to MFRS 9 and MFRS 7: (Classification and Measurement of Financial Instruments) and (Contracts Referencing Nature-dependent Electricity)

Effective for financial year beginning on or after 1 January 2027

- Amendments to MFRS 18: Presentation and Disclosure in Financial Statements
- Amendments to MFRS 19: Subsidiaries without Public Accountability (Disclosures)

Effective date has been deferred to a date to be determined by Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

A1 Basis of preparation (cont'd)

b) Standards and amendments that have been issued but not yet effective (cont'd)

The Group intends to adopt the abovementioned standards and amendments when they become effective. The adoption is not expected to have material financial impact to the Group.

A2 Auditors' report on preceding annual financial statements

There was no qualification in the audit report of the preceding annual financial statements.

A3 Seasonal or cyclical factors of the Group's operations

The prices for the Group's plantation products are not within the control of the Group but are determined by the price of Crude Palm Oil (CPO), which in turn depends on several factors including the global supply and demand of competing vegetable oils, crude oil prices, and general global economic growth conditions.

Crop production is seasonal. Based on statistics, the Group's production of Fresh Fruit Bunches (FFB) gradually increases in the second quarter and reaches its peak during the third and fourth quarters. This pattern can be affected by rainfall in the Group's estates and severe global weather conditions such as El-Nino and La Nina.

The profits for this segment of the Group are primarily determined by the price of FFB and the volume of production from the Group's estates.

The Group's other businesses in energy and facilities management as well as wholesale and distribution of construction materials are not significantly affected by seasonal or cyclical factors.

A4 Unusual items

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence in the current quarter.

A5 Changes in estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

A7 Dividend

There was no dividend paid, declared or proposed in the current quarter.

A8 Segmental analysis

The Group is organised into the following operating divisions:

(i) Oil Palm Plantations
(ii) Energy and Facilities Management
(iii) Investment Holding
(iv) Wholesale and Distribution
(v) Others

The Segmental Information for the financial year ended 31 December 2025:

	Oil Palm Plantations	Energy and Facilities Management	Investment Holding	Wholesale and Distribution	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	33,026	14,810	10,000	3,395	-	(10,000)	51,231
Segment results							
Profit/(Loss) from operations	2,195	5,080	7,754	36	(32)	(13,421)	1,612
Finance costs	(2,139)	(5,427)	(3,834)	-	-	2,007	(9,393)
Share of results of an associate	-	16,649	-	-	-	-	16,649
Profit/(Loss) before tax	56	16,302	3,920	36	(32)	(11,414)	8,868
Tax (expense)/ credit	(1)	(752)	-	-	-	304	(449)
Profit/(Loss) for the financial year	55	15,550	3,920	36	(32)	(11,110)	8,419

A8 Segmental analysis (cont'd)

The Segmental Information for the financial year ended 31 December 2024:

	Oil Palm Plantations	Energy and Facilities Management	Investment Holding	Wholesale and Distribution	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	35,496	14,111	8,000	3,257	-	(8,000)	52,864
Segment results							
Profit/(Loss) from operations	4,487	4,477	6,484	56	(30)	(11,381)	4,093
Finance costs	(3,034)	(5,321)	(3,826)	-	-	2,144	(10,037)
Share of results of an associate	-	15,686	-	-	-	-	15,686
Profit/(Loss) before tax	1,453	14,842	2,658	56	(30)	(9,237)	9,742
Tax (expense)/ credit	(554)	(758)	-	-	-	304	(1,008)
Profit/(Loss) for the financial year	899	14,084	2,658	56	(30)	(8,933)	8,734

No geographical segment is presented as the Group operates principally in Malaysia.

A9 Valuations of property, plant and equipment

There were no amendments in the valuations of property, plant and equipment during the financial period. The valuations have been brought forward without adjustment from the audited financial statements for the financial year ended 31 December 2024.

A10 Material events subsequent to the end of the interim period

There were no material events subsequent to 31 December 2025 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations for the current quarter.

A12 Contingent liabilities and contingent assets

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

A13 Capital commitments

There were no capital commitments approved or contracted as at 31 December 2025.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year Quarter	Preceding Year Corresponding Quarter	
	31 DEC 2025	31 DEC 2024	Change	31 DEC 2025	31 DEC 2024	Change
Revenue	**RM '000**	**RM '000**	**%**	**RM '000**	**RM '000**	**%**
Oil Palm Plantations	7,390	10,810	*-31.6%*	33,026	35,496	*-7.0%*
Energy and Facilities Management	3,995	3,518	*13.6%*	14,810	14,111	*5.0%*
Wholesale and Distribution	1,156	-	*100.0%*	3,395	3,257	*4.2%*
Investment Holding	4,000	-	*100.0%*	10,000	8,000	*25.0%*
Eliminations	(4,000)	-	*-100.0%*	(10,000)	(8,000)	*-25.0%*
Total Revenue	12,541	14,328	*-12.5%*	51,231	52,864	*-3.1%*
Segment results						
Oil Palm Plantations	(50)	2,102	*-102.4%*	56	1,453	*-96.1%*
Energy and Facilities Management	4,758	2,440	*95.0%*	16,302	14,842	*9.8%*
Wholesale and Distribution	18	(26)	*169.2%*	36	56	*-35.7%*
Investment Holding	1,444	(1,526)	*194.6%*	3,920	2,658	*47.5%*
Others	(8)	(6)	*-33.3%*	(32)	(30)	*-6.7%*
Eliminations	(4,275)	(287)	*-1389.5%*	(11,414)	(9,237)	*-23.6%*
Profit Before Tax	1,887	2,697	*-30.0%*	8,868	9,742	*-9.0%*
Operational Statistics						
Production (MT)	9,606	10,740	*-10.6%*	37,776	41,737	*-9.5%*
Average CPO Price*	4,185	4,850	*-13.7%*	4,314	4,218	*2.3%*
Average FFB Price	769	1,006	*-23.6%*	874	850	*2.8%*

*Extracted from MPOB Peninsular Malaysia Average

(A) Performance of the current quarter against the preceding year corresponding quarter

Revenue

The Group recorded total revenue of RM12.5 million for the current quarter ended 31 December 2025, down 12.5% from RM14.3 million in the preceding year corresponding quarter. This decrease was mainly due to lower contributions from the Oil Palm Plantations segment, partially offset by higher contributions from the Energy and Facilities Management and Wholesale and Distribution segments.

Oil Palm Plantations

For the current quarter under review, the Group's Oil Palm Plantations segment recorded revenue of RM7.4 million, a decrease of 31.6% compared to RM10.8 million in the preceding year corresponding quarter. The lower revenue was primarily due to lower average CPO and FFB prices of 10.6% and 13.7% respectively, as well as a decrease in FFB production from 10,740 MT to 9,606 MT.

B1 Review of performance (cont'd)

(A) <u>Performance of the current quarter against the preceding year corresponding quarter (cont'd)</u>

<u>Revenue (cont'd)</u>

Energy and Facilities Management

For the current quarter under review, this segment contributed RM4.0 million to the Group's total revenue, representing an increase of 13.6% from RM3.5 million in the preceding year corresponding quarter. The increase was mainly attributable to the upward revision of chilled water supply charges following adjustments to electricity and water tariffs for the Group's cooling system projects.

Wholesale and Distribution

Revenue from the Wholesale and Distribution segment increased to RM1.2 million, driven by higher customer orders for construction materials during the current quarter.

<u>Profit before tax</u>

For the current quarter under review, the Group recorded a profit before tax of RM1.9 million, compared to RM2.7 million in the preceding year corresponding quarter. The lower results were mainly due to a decrease in profit before tax from the Oil Palm Plantations segment, arising from lower average CPO and FFB prices as well as a decline in FFB production. Profit before tax from the Energy and Facilities Management segment increased by 95.0%, due to cost savings and improved contribution from the Group's associate. During the current quarter, dividend income of RM4.0 million was recognised from a subsidiary, which was eliminated at the Group level upon consolidation.

(B) <u>Performance of the current financial year against the preceding financial year</u>

<u>Revenue</u>

The Group's total revenue for the financial year ended 31 December 2025 decreased by 3.1% to RM51.2 million, compared to RM52.9 million in the preceding financial year ended 31 December 2024. The decrease was mainly driven by lower contributions from the Oil Palm Plantations segment, partially offset by higher revenue from the Energy and Facilities Management and the Wholesale and Distribution segments.

Oil Palm Plantations

For the financial year ended 31 December 2025, revenue from this segment decreased by 7.0% to RM33.0 million, compared to RM35.5 million in the preceding financial year. The lower revenue was mainly attributable to a 9.5% decline in FFB production, from 41,737 MT to 37,776 MT, due to adverse weather conditions in early 2025 as well as replanting activities being carried out in the Group's plantations, which reduced the total harvestable area. This was partially offset by higher average CPO and FFB prices of 2.3% and 2.8%, respectively.

Energy and Facilities Management

This segment contributed RM14.8 million to the Group's total revenue for the financial year ended 31 December 2025, compared to RM14.1 million in the preceding financial year. The increase was mainly attributable to the upward revision of chilled water supply charges for the Group's cooling system projects.

B1 Review of performance (cont'd)

(B) Performance of the current financial period to-date against the preceding year corresponding financial period (cont'd)

Wholesale and Distribution

Revenue from the Wholesale and Distribution segment increased marginally to RM3.4 million from RM3.3 million in the preceding financial year, mainly driven by higher customer orders for construction materials.

Profit before tax

The Group recorded a profit before tax of RM8.9 million, lower than RM9.7 million reported in the preceding financial year ended 31 December 2024. The 96.1% decrease in profit before tax from the Oil Palm Plantations segment was mainly attributable to lower FFB production, which outweighed the slightly higher average CPO and FFB prices, arising from replanting activities that reduced the harvestable area. Meanwhile, profit before tax from the Energy and Facilities Management segment increased by 9.8%, mainly due to cost savings and increased contribution from the Group's associate. The Investment Holding segment also recorded higher profit, primarily due to increased dividend income received from a subsidiary during the current financial year, which was eliminated at the Group level.

B2 Material changes in current quarter results compared with preceding quarter

	Current Quarter	Immediate Preceding Quarter	Variance	
	31 DEC 2025 RM'000	30 SEP 2025 RM'000	Amount RM'000	%
Production (MT)	9,606	10,184	(578)	-5.7%
Average CPO Price*	4,185	4,277	(92)	-2.2%
Average FFB Price	769	900	(131)	-14.6%
Revenue				
Oil Palm Plantations	7,390	9,166	(1,776)	-19.4%
Energy and Facilities Management	3,995	3,961	34	0.9%
Wholesale and Distribution	1,156	1,465	(309)	-21.1%
Total Revenue	12,541	14,592	(2,051)	-14.1%
Segment results				
Oil Palm Plantations	(50)	192	(242)	-126.0%
Energy and Facilities Management	4,758	4,453	305	6.8%
Wholesale and Distribution	18	5	13	260.0%
Investment Holding	1,444	1,879	(435)	-23.2%
Others	(8)	(8)	-	0.0%
Eliminations	(4,275)	(3,505)	(770)	-22.0%
Profit Before Tax	1,887	3,016	(1,129)	-37.4%

* Extracted from MPOB Peninsular Malaysia Average

B2 Material changes in current quarter results compared with preceding quarter (cont'd)

For the three-month period ended 31 December 2025, the Group recorded total revenue of RM12.5 million, representing a 14.1% decrease from RM14.6 million in the immediate preceding quarter ended 30 September 2025. The decrease was mainly driven by lower contributions from the Oil Palm Plantations and Wholesale and Distribution segments.

<u>Revenue</u>

Revenue from the Oil Palm Plantations segment declined by 19.4%, primarily due to lower FFB production, which decreased from 10,184 MT to 9,606 MT, as well as decreases of 2.2% and 14.6% in the average CPO and FFB prices, respectively. Revenue from the Wholesale and Distribution segment decreased by RM0.3 million due to lower customer orders for construction materials.

<u>Profit before tax</u>

The Group's profit before tax decreased to RM1.9 million from RM3.0 million in the immediate preceding quarter. The lower profit was mainly attributable to the Oil Palm Plantations segment, arising from lower FFB production and decreases in average CPO and FFB prices. Meanwhile, profit before tax from the Energy and Facilities Management segment increased by 6.8%, reflecting the full impact of revisions to chilled water supply charges under the new tariff structures as well as better cost management during the quarter.

B3 Profit forecast or profit guarantee

The Group has not issued any profit forecast for the current quarter under review.

B4 Dividends

No interim dividend has been paid, declared or proposed for the financial year ended 31 December 2025.

B5 Prospects

For 2026, the Group's performance in the plantation segment will be primarily influenced by CPO and Palm Kernel prices and other factors such as the prices and production of substitute vegetable oils, crude oil prices, and general global economic conditions. Supply chain costs for inputs such as fertiliser and chemicals affecting the Group's cost of production will also be significant and will have to be managed in view of the volatile market environment.

Nonetheless, the Group will continue to focus on managing the production of FFB from its estates while continuing with its replanting program to replace aging and low yielding palms. The Group remains fundamentally optimistic about the long-term prospects of the palm oil industry. It is the most efficiently produced vegetable oil in the world and used in a wide variety of products. The Group remains vigilant in light of current global economic uncertainty brought about by geopolitical tensions and evolving trade dynamics.

B5 Prospects (cont'd)

The Group is optimistic on the ability of its energy and facility management division to continue to provide steady and recurrent income to the Group. It will continue to prospect, tender, and evaluate potential new projects to further expand this segment.

Moving forward, the Group continues to prospect for new opportunities and sustainable businesses which can grow shareholder value in the long run.

B6 Taxation

	Current Quarter 31 DEC 2025 RM'000	Cumulative Quarter 31 DEC 2025 RM'000
On current period's results		
- Transferred to deferred taxation	(193)	(449)
	(193)	(449)

B7 Group borrowings

Details of the Group's borrowings as at 31 December 2025 were as follows:

Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	31,703	142,114	173,817

The credit facilities of the Group are obtained by a charge over all its assets and corporate guarantee. Borrowings are denominated in Ringgit Malaysia.

B8 Material litigation

During the current quarter, the material litigation update of the Group is as follows:

(a) Urun Plantations Sdn. Bhd. (Suit No.: BTU-22NCvC-5-6/2025 (HC))

On 27 June 2025, Urun Plantations Sdn. Bhd. ("UPSB"), a wholly owned subsidiary of the Company, was served with a Writ of Summons dated 12 June 2025 as the 3rd Defendant in respect of a claim for Native Customary Rights (the "Litigation Case").

The suit was filed by Messrs. Abun Sui Anyit & Co and initiated by five (5) individuals suing on behalf of themselves and other occupiers, holders or claimants of the native customary land situated at Long Urun area of Sungai Belaga of Uma Pawa, Long Urun, and Rumah Labang, Long Tengah, for a total claim of 54,478 hectares against the Superintendent of Land and Survey Kapit Division (1st Defendant), the Government of the State of Sarawak (2nd Defendant), UPSB (3rd Defendant), Lesley Tingang (4th Defendant), Tuai Rumah Eric William (5th Defendant), and Tuai Rumah Udau Tedong (6th Defendant) for amongst others, the following claims:

B8 Material litigation (cont'd)

i. A declaration that the Plaintiffs have native customary rights over the said native customary land;
ii. A declaration that this right precludes the 1st and 2nd Defendants from impairing or abridging the Plaintiffs' said rights;
iii. A declaration that the issuance of the provisional lease is bad;
iv. A declaration that the 1st Defendant is precluded from issuing any lease, provisional or otherwise, which affects the Plaintiffs' said rights;
v. A declaration that the act of the 1st Defendant in issuing the said lease is void and/or wrongful;
vi. A declaration that the impairing of the Plaintiffs' rights over the said native customary land constitute a violation of Article 8 of the Federal Constitution;
vii. A declaration that the issuance of the said lease constitutes a violation of Article 5 of the Federal Constitution;
viii. A declaration that the issuance of the said lease was and is void for being ultra-vires the Sarawak Land Code Cap. 81;
ix. A declaration that the issuance of the said lease was bad and/or void as being in violation of Article 39(1) and (2) of the Constitution of the State of Sarawak and/or Articles 153 and/or 161A of the Federal Constitution;
x. An order directing the 1st Defendant and/or the 2nd Defendant to give effect to the aforesaid declarations and to cancel or rectify the said lease;
xi. A declaration that the agreement dated 02.07.2007 between the 3rd Defendant and the JKKK of Long Urun is illegal agreement and void ab initio;
xii. An order that any native customary land surrendered by the JKKK of Long Urun to the 3rd Defendant under the purported agreement dated 02.07.2007 be returned to the Plaintiffs;
xiii. A prohibitory injunction restraining the 3rd Defendant and/or their servants or agents or assigns or contractors or workmen, 4th Defendant, 5th Defendant, 6th Defendant and unauthorised persons from occupying the said native customary land; and
xiv. Costs and such further relief as the Court deems fit.

Based on the facts of the case and the advice of its solicitors, Messrs. Baru Bian Advocates, UPSB is of the view that the claims are likely to be found to be frivolous or vexatious, and without proper basis.

In connection thereto, UPSB has filed its Affidavit in Opposition on 3 July 2025 and its Defence and Counterclaim on 18 July 2025. UPSB has also filed a Striking out application of the suit on 6 October 2025. On 10 December 2025, the Sarawak State Attorney General Chambers has also filed a striking out of the suit on behalf of the 1st and 2nd Defendants.

The parties have exchanged written submissions and replies, with the next Court hearing date set for 10 March 2026.

Save as disclosed above, there are no other pending material litigations as at 27 February 2026.

B9 Status of corporate proposals

Save as disclosed below, there are no other corporate proposals announced but pending implementation as at the date of this interim financial report.

(a) Long Term Incentive Plan

On 27 October 2023, UOB Kay Hian Securities (M) Sdn. Bhd. (”UOBKH”), on behalf of the Board had announced the proposed establishment of a long term incentive plan (“LTIP”), which comprises the proposed employee share option scheme (“Proposed ESOS”) and the proposed share grant plan (“Proposed SGP”) of up to 15% of the issued share capital of the Company (excluding treasury shares, if any) at any point in time during the duration of the LTIP, for the eligible employees and Directors (executive and non-executive) of the Company and its subsidiaries which are not dormant.

On 28 November 2023, the Company announced that Bursa Malaysia Securities Berhad had, vide its letter dated 27 November 2023, approved the listing and quotation for the number of new Shares representing up to 15% of the total number of issued Shares of SHC (excluding treasury shares) to be issued pursuant to the Proposed LTIP.

On 8 December 2023, the Company submitted the Circular to Shareholders in relation to the I. Proposed Establishment of a LTIP up to 15% of the total number of issued shares; and II. Proposed Allocation of LITP Award to the eligible Directors and Major Shareholders.

On 10 January 2024, the Company announced that all the resolutions as set out in the Notice of the Extraordinary General Meeting dated 8 December 2023 were duly passed and carried.

On 15 May 2024, the Company announced that the effective date for the LTIP has been fixed on 15 May 2024, being the date of submission of relevant documents to Bursa Malaysia Securities Berhad.

As of the date of this interim financial report, no options or shares have been granted.

(b) Private Placement of up to 10% of the Total Number of Issued Shares of SHC

On 5 December 2025, the Company announced that it proposes to undertake a Private Placement of up to 10% of the total number of issued shares of Sin Heng Chan (Malaya) Berhad (“SHC”) to third party investors to be identified at a later date (“Proposed Private Placement”).

On 12 December 2025, the Company announced that the listing application in relation to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad.

On 19 December 2025, the Company announced the additional information in relation to the Proposed Private Placement.

On 9 January 2026, the Company received approval from Bursa Malaysia Securities Berhad to implement the Proposed Private Placement.

B10 Earnings per share (EPS)

(a) Basic EPS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 DEC 2025	Preceding Year Quarter 31 DEC 2024	Current Year-To-Date 31 DEC 2025	Preceding Year-To-Date 31 DEC 2024
Profit after tax attributable to equity holders of the Company (RM'000)	1,694	1,911	8,419	8,734
Weighted average number of ordinary shares in issue ('000)	318,388	297,877	307,321	295,610
Basic EPS (sen)	0.53	0.64	2.74	2.95

(b) Diluted EPS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 DEC 2025	Preceding Year Quarter 31 DEC 2024	Current Year-To-Date 31 DEC 2025	Preceding Year-To-Date 31 DEC 2024
Profit after tax attributable to equity holders of the Company (RM'000)	1,694	1,911	8,419	8,734
Weighted average number of ordinary shares in issue ('000)	318,388	297,877	307,321	295,610
Assume full conversion of ICPS ('000)	94,489	115,000	105,556	117,267
Weighted average number of ordinary shares in issue and issuable ('000)	412,877	412,877	412,877	412,877
Diluted EPS (sen)	0.41	0.46	2.04	2.12

B11 Gains/(Losses) arising from fair value changes of financial liabilities

There were no gains/(losses) during the current quarter arising from fair value changes of financial liabilities.

B12 Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 DEC 2025 RM '000	**Preceding Year Quarter 31 DEC 2024 RM '000**	**Current Year-To-Date 31 DEC 2025 RM '000**	**Preceding Year-To-Date 31 DEC 2024 RM '000**
Profit before tax is arrived at after charging/(crediting) :				
Amortisation of prepaid lease payments, intangible assets and investment properties	270	270	1,021	1,078
Depreciation of property, plant and equipment	2,241	2,203	8,980	8,475
Dividend income	-	-	(250)	(259)
Fair value loss/(gain) on biological assets	487	(81)	487	(81)
Finance costs	2,369	2,482	9,393	10,037
Finance income from concession financial assets	(685)	(721)	(2,741)	(2,886)
Gain on disposal of property, plant and equipment	(218)	-	(243)	(135)
Loss/(Gain) on disposal of other investments	16	-	10	(66)
Interest income	(336)	(331)	(853)	(1,104)
Net unrealised gain on other investments	(58)	(7)	(99)	(841)
Share of results of an associate	(4,681)	(3,898)	(16,649)	(15,686)