**SINARAN ADVANCE GROUP BERHAD**
Registration No. 202001007513 (1363833-T)
**(Incorporated in Malaysia)**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**
**FOR THE QUARTER ENDED 30 SEPTEMEBR 2025**

The Board of Directors of Sinaran Advance Group Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 30 September 2025 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December (“**FYE**”) 2024 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | | Individual quarter | | Cumulative quarter | |
|---|---|---|---|---|---|
| | | Quarter ended | | Quarter ended | |
| | | 30.9.2025 | 30.9.2024 | 30.9.2025 | 30.9.2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited |
| | Note | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | B1 | 2,656 | 3,360 | 10,478 | 17,780 |
| Cost of sales | | (4,392) | (3,303) | (9,685) | (17,251) |
| Gross (loss)/profit | | (1,736) | 57 | 793 | 529 |
| Other income | | 1,279 | 1,653 | 1,328 | 2,269 |
| Selling and distribution expenses | | - | - | - | (101) |
| Administrative expenses | | (921) | (1,187) | (3,299) | (4,973) |
| Other operating expenses | | - | (12,602) | (3,425) | (13,295) |
| Finance costs | | (2) | - | (3) | (832) |
| Loss before taxation | B12 | (1,380) | (12,079) | (4,606) | (16,403) |
| Taxation | | - | 26 | - | 81 |
| Total loss for the period | B1 | (1,380) | (12,053) | (4,606) | (16,322) |
| Other comprehensive loss, net of tax | | | | | |
| Loss from translation reserve | | - | (2,319) | - | (1,718) |
| Total comprehensive loss for the period | | (1,380) | (14,372) | (4,606) | (18,040) |
| Loss for the period attributable to : | | | | | |
| - Owner of the Company | | (1,380) | (12,053) | (4,606) | (16,322) |
| Total comprehensive loss for the period attributable to : | | | | | |
| - Owner of the Company | | (1,380) | (14,372) | (4,606) | (18,040) |
| Basic loss per share | B13 | (0.13) | (1.32) | (0.44) | (1.78) |
| Diluted loss per share | B13 | (0.13) | (1.32) | (0.44) | (1.78) |

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

**Notes:**

(a) The comparative figures include the financial results of the foreign subsidiaries, which were translated at an exchange rate of RMB1 to RM0.6434 for the quarter ended 30 September 2024.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Unaudited As at 30.9.2025 RM'000 | Audited As at 31.12.2024 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-Current Assets** | | |
| Property, plant and equipment | 18 | 23 |
| Right-of-use assets | 96 | 361 |
| | 114 | 384 |
| **Current Assets** | | |
| Trade receivables | 4,748 | 2,155 |
| Other receivables | 4,545 | 55 |
| Other investment | 8,357 | 13,655 |
| Cash and bank balances | 3,652 | 1,663 |
| | 21,302 | 17,528 |
| **Total assets** | 21,416 | 17,912 |
| | | |
| **EQUITY AND LIABILITIES** | | |
| **Capital and Reserves** | | |
| Share capital | 46,702 | 42,741 |
| Retained earnings | (30,217) | (25,611) |
| Other reserves | 389 | (5) |
| | 16,874 | 17,125 |
| **Current Liabilities** | | |
| Trade payables | 1,414 | - |
| Other payables | 3,030 | 424 |
| Lease liabilities | 45 | 158 |
| | 4,489 | 582 |
| **Non-Current Liabilities** | | |
| Lease liabilities | 53 | 205 |
| | 53 | 205 |
| **Total liabilities** | 4,542 | 787 |
| **Total equity and liabilities** | 21,416 | 17,912 |
| | | |
| **Net assets per share attributable to owner of the Company (sen)** | 1.61 | 1.87 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

**Notes:**

(a) The net assets per share attributable to owner of the Company is calculated based on the net assets as at 30 September 2025 and 31 December 2024 divided by the number of ordinary shares of 1,050,961,482 and 914,961,482 respectively.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share capital RM'000 | Merger reserve RM'000 | Statutory reserve RM'000 | Share option reserve RM'000 | Foreign currency translation reserve RM'000 | Retained earnings RM'000 | Total equity RM'000 |
|---|---|---|---|---|---|---|---|
| **At 1 January 2024** | 110,741 | (107,297) | 15,225 | - | (2,933) | 18,668 | 34,404 |
| Net loss for the financial period | - | - | - | - | - | (16,322) | (16,322) |
| Capital Reduction | (68,000) | - | - | - | - | 68,000 | - |
| Other comprehensive income for the financial period | - | - | - | - | (1,718) | - | (1,718) |
| Total comprehensive income for the financial period | (68,000) | - | - | - | (1,718) | 51,678 | (18,040) |
| **At 30 September 2024** | 42,741 | (107,297) | 15,225 | - | (4,651) | 70,346 | 16,364 |
| | | | | | | | |
| **At 1 January 2025** | 42,741 | - | - | - | (5) | (25,611) | 17,125 |
| Net loss for the financial period | - | - | - | - | - | (4,606) | (4,606) |
| Total comprehensive loss for the financial period | 42,741 | - | - | - | (5) | (30,217) | 12,519 |
| Fair value of ESOS recognised | - | - | - | 955 | - | - | 955 |
| Exercise of ESOS | 3,961 | - | - | (561) | - | - | 3,400 |
| **At 30 September 2025** | 46,702 | - | - | 394 | (5) | (30,217) | 16,874 |

**Notes:**

(a) The comparative figures include the financial results of the foreign subsidiaries, which were translated at an exchange rate of RMB1 to RM0.5878 for the quarter ended 30 September 2024.

## CONSOLIDATED STATEMENT OF CASH FLOWS

| | For the financial period ended 30.9.2025 RM'000 Unaudited | For the financial period ended 30.9.2024 RM'000 Unaudited |
|---|---|---|
| **Cash flows from operating activities** | | |
| Loss before taxation | (4,606) | (16,403) |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 5 | 1,322 |
| Depreciation of right of use assets | 60 | 517 |
| ESOS Expenses | 955 | - |
| Fair value loss on other investment | 2,102 | 991 |
| Gain on disposal of other investment | - | (472) |
| Interest expenses | 5 | 832 |
| Interest income | (4) | (14) |
| Realised loss in forex exchange | - | 19 |
| Unrealised gain on foreign exchange | - | (1,605) |
| Impairment on property, plant and equipment | - | 8,042 |
| Impairment loss on trade receivables | - | 4,175 |
| Operating loss before working capital changes | (1,483) | (2,596) |
| Decrease in inventories | - | 99 |
| (Increase)/Decrease in trade and other receivables | (7,083) | 3,344 |
| Decrease in amount due from contract customer | - | (828) |
| Increase/(Decrease) in trade and other payables | 4,020 | (900) |
| Decrease in amount due to contract customer | - | (4,619) |
| Cash used in operations | (4,546) | (5,500) |
| Tax paid | - | (24) |
| **Net cash flows used in operating activities** | **(4,546)** | **(5,524)** |
| | | |
| **Cash flows from investing activities** | | |
| Acquisition of other investments | - | (3,849) |
| Acquisition of property, plant and equipment | - | (7) |
| Placement of short term deposit | - | (7) |
| Withdrawal of short term deposit | 3,200 | - |
| Proceeds from disposal of other investment | - | 1,777 |
| Interest received | - | 14 |
| Interest expenses | - | (30) |
| **Net cash flows generated from/(used in) investing activities** | **3,200** | **(2,102)** |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from issuance of ordinary shares | 3,400 | - |
| Lease liability interest | (5) | - |
| Repayment of lease liabilities | (60) | - |
| Term loan interest | - | (802) |
| **Net cash flows generated from/(used in) financing activities** | **3,335** | **(802)** |

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

| | | |
|---|---|---|
| **Net increase/(decrease) in cash and cash equivalents** | 1,989 | (8,428) |
| Cash and cash equivalents at beginning of the financial year^ | 1,663 | 11,881 |
| Effect of exchange translation difference on cash and cash equivalents | - | (1,517) |
| **Cash and cash equivalents at end of the financial period^** | **3,652** | **1,936** |

**Cash and cash equivalents at the end of the financial year comprise the following:**

| | For the financial period ended 30.9.2025 RM'000 Unaudited | For the financial period ended 30.9.2024 RM'000 Unaudited |
|---|---|---|
| **Cash and bank balances** | | |
| - Malaysian Ringgit | 3,652 | 1,612 |
| - Chinese Yuan | - | 324 |
| | 3,652 | 1,936 |

**Notes:**

(a) The comparative figures include the financial results of the foreign subsidiaries, which were translated at an exchange rate of RMB1 to RM0.5878 for the quarter ended 30 September 2024.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

### A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in MFRS 134 - Interim Financial Reporting, the International Accounting Standard 34 Interim Financial Reporting and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

The interim financial statements should be read in conjunction with the audited financial statements for the FYE 2024 and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes 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 FYE 2024.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the FYE 2024.

### A2. Qualification of financial statements

The audit report of the Group's financial statements for the FYE 2024 was not subject to any audit qualification.

### A3. Seasonal or cyclical factors

The results for the current financial quarter were not affected by any seasonal or cyclical factors.

### A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

### A5. Material changes in estimates

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

### A6. Debt and equity securities

During the quarter under review, 21,644,000 units of Employee Share Options (ESOS) were granted on 18$^{th}$ August 2025 under the scheme at an exercise price of RM0.02 per unit. Cumulatively, a total of 157,644,000 ESOS units have been granted to date since the inception of the scheme. The options granted this quarter have not yet been exercised.

Save for the above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities of the Group during the financial quarter and period.

### A7. Dividend paid

There were no dividends paid during the current financial quarter.

## A8. Segmental information

The reportable business segments of the Group comprise the following:

| | | |
|---|---|---|
| Construction | : | Construction and related activities. |
| Others | : | Other segments comprise investment holding, property investment holding and wholesale of pharmaceutical and medical goods. |

| | Construction in Malaysia RM'000 | Others RM'000 | Total RM'000 |
|---|---|---|---|
| **Revenue** | | | |
| Construction | 10,478 | - | 10,478 |
| | 10,478 | - | 10,478 |
| **Result** | | | |
| Segment result | (1,504) | (4,427) | (5,931) |
| Other income | 1 | 1,327 | 1,328 |
| Finance Cost | - | (3) | (3) |
| Loss before taxation | (1,503) | (3,103) | (4,606) |
| Taxation | - | - | - |
| Loss after taxation | (1,503) | (3,103) | (4,606) |
| **Segment assets** | | | |
| As at 31.12.2024 | 2,648 | 15,264 | 17,912 |
| As at 30.9.2025 | 12,462 | 8,954 | 21,416 |
| **Segment liabilities** | | | |
| As at 31.12.2024 | 425 | 362 | 787 |
| As at 30.9.2025 | 4,432 | 110 | 4,542 |

## A9. Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment during the current financial quarter.

## A10. Material events subsequent to the end of the current quarter

There were no material event subsequent at the end of the current quarter.

## A11. Changes in the composition of the Group

There were no significant changes in the composition of the Group during the current financial quarter end period.

## A12. Contingent liabilities/assets

There were no material changes in the contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2024.

## A13. Capital commitments

There were no capital commitments as at 30 September 2025.

## A14. Significant related party transactions

There were no significant related party transactions during the current financial quarter.

## A15. Financial Instruments

a) Categories of Financial Instruments

The table below provides an analysis of financial instrument as at 30 September 2025 categorised as follows:

| | 30.9.2025<br>RM'000 | 31.12.2024<br>RM'000 |
|---|---|---|
| Financial assets | | |
| At amortised cost | | |
| Trade receivables | 4,748 | 2,155 |
| Other receivables | 4,545 | 55 |
| Cash and cash equivalents | 3,652 | 1,663 |
| | 12,945 | 3,873 |
| At fair value | | |
| Other investment | 8,357 | 13,655 |
| Financial liabilities | | |
| At amortised cost | | |
| Trade payables | 1,414 | - |
| Other payables and accruals | 3,030 | 424 |
| Lease liabilities | 98 | 363 |
| | 4,542 | 787 |

b) Fair Value Information

The carrying amount of cash and cash equivalents, 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.

## A16. Fair Value Measurement

The financial assets maturing within the next 12 months reasonably approximate their fair values due to the relatively short-term maturity of the financial instruments.

Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

| | |
|---|---|
| Level 1: | Quoted prices (unadjusted) in active markets for identical assets or liabilities. |
| Level 2: | Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices). |
| Level 3: | Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). |

Fair value measurement of financial instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and bank balances, trade and other payables and interest-bearing borrowings) or those which reprice regularly approximate their fair values because of the short period to maturity or repricing.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES FOR THE ACE MARKET**

## B1. Review Of Performance

**Statement of Profit & Loss and Other Comprehensive Income**

| | Individual Quarter Quarter Ended | | | | Cumulative Quarter Period Ended | | | |
|---|---|---|---|---|---|---|---|---|
| | 30.9.2025 | 30.9.2024 | Changes | | 30.9.2025 | 30.9.2024 | Changes | |
| | RM'000 (unaudited) | RM'000 (unaudited) | RM'000 | % | RM'000 (unaudited) | RM'000 (unaudited) | RM'000 | % |
| **Revenue** | 2,656 | 3,360 | (704) | -21% | 10,478 | 17,780 | (7,302) | -41% |
| **Gross profit** | (1,736) | 57 | (1,793) | -3146% | 793 | 529 | 264 | 50% |
| **Loss before tax** | (1,380) | (12,079) | 10,699 | 89% | (4,606) | (16,403) | 11,797 | 72% |
| **Loss after tax** | (1,380) | (12,053) | 10,673 | 89% | (4,606) | (16,322) | 11,716 | 72% |

**Quarter ended 30 September 2025 compared with quarter ended 30 September 2024**

The Group recorded revenue of RM2.66 million for the current quarter ended 30 September 2025 was mainly generated from construction sector by Sinaran Trinity Sdn Bhd of RM2.01 million and Sinaran Infinity Sdn Bhd of RM0.65 million respectively.

The decreased of M0.70 million or 21% as compared to the preceding corresponding quarter last year (3Q2024) was primarily due to the discounts granted on the final claim, resulting in a gross loss of RM1.74 million. This represents a significant declined in the quarter's gross margin compared to preceding period.

Despite the lower revenue, loss after tax improved by 89% or RM10.67 million to RM1.38 million for the current quarter as compared to RM12.05 million for the preceding corresponding quarter. It was driven by better cost control and the absence of losses from the previously held subsidiaries.

## B2. Material Changes in Financial Performance for the Quarter Compared with Immediate Preceding Quarter

| | Quarter Ended | | | |
|---|---|---|---|---|
| | **30.9.2025** | **30.06.2025** | **Changes** | |
| | **RM'000** | **RM'000** | **RM'000** | **%** |
| Group Results | **(unaudited)** | **(unaudited)** | | |
| Revenue | 2,656 | 4,873 | (2,217) | -45% |
| Gross profit/(loss) | (1,736) | 2,317 | (4,053) | 175% |
| Loss before tax | (1,380) | (1,263) | (117) | -9% |
| Loss after tax | (1,380) | (1,263) | (117) | -9% |

**Revenue**

For the quarter under review, the Group's revenue decreased by 45% to RM2.66 million as compared to RM4.87 million recorded in the previous quarter.

A significant decrease of revenue of RM2.22 million was attributable due to the discounts granted on the final claim, which led to a gross loss of RM1.74 million. This represents a significant declined in the quarter's gross margin compared to preceding period.

**Loss after tax**

Despite the lower revenue, the loss after tax only slightly increased by 9% to RM1.38 million as compared to RM1.26 million in the previous quarter. This reflects the Group's efforts to manage fixed costs and improve operational efficiency. Though the lower top-line still impacted the bottom-line performance.

## B3. Current year prospects

The outlook for our Company's order book in 2025 remains uncertain amid a challenging operating environment. While there are indications of continued government support for infrastructure development-particularly in transportation, renewable energy, and urban renewal-the actual rollout of such projects may be impacted by budgetary constraints ad shifting policy priorities. Activity in the commercial and residential property sectors continues in select high-demand locations., however, broader market conditions remain fragile due to elevated construction cost, labour shortages and cautious investor sentiment.

Looking ahead, the construction and property industry in 2025 will be shaped by evolving technologies, sustainability trends, shifting work dynamics and broader economic factors. While the challenges persist-particularly around affordability and changing demand patterns-the sector presents significant opportunities for innovation, adaption and long-term growth.

## B4. Variation on Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

**B5. Variance of Actual Profit After Tax and Minority Interest and the Forecast Profit after Tax and Minority Interest**

Not applicable.

**B6. Variance on forecast profit/profit guarantee**

The Group has not provided any profit forecast or profit guarantee and thus this is not applicable to the Group.

**B7. Taxation**

| | 30.9.2025<br>RM'000<br>(unaudited) | 31.12.2024<br>RM'000<br>(audited) |
|---|---|---|
| Current Income Tax | - | - |
| Deferred taxation | - | - |
| | - | - |

**B8. Corporate exercise**

There was no corporate proposal during the financial period.

**B9. Borrowings and debt securities**

There were no borrowings and debt securities as at 30 September 2025.

**B10. Material litigation**

There are no pending material litigations involving the Group as at the date of this report.

**B11. Proposed Dividend**

The Board of Directors did not recommend any dividend for the current financial quarter.

## B12. Loss before tax

| | Individual Quarter Quarter Ended | | Cumulative Quarter Period Ended | |
|---|---|---|---|---|
| | 30.9.2025 RM'000 (unaudited) | 30.9.2024 RM'000 (unaudited) | 30.9.2025 RM'000 (unaudited) | 30.9.2024 RM'000 (unaudited) |
| Unrealised gain on foreign exchange | - | (1,691) | - | (1,605) |
| Realised (gain)/loss on foreign exchange | - | (16) | | 19 |
| Depreciation of property, plant and equiment | 2 | 425 | 5 | 1,322 |
| Depreciation of right of used assets | 10 | 166 | 60 | 517 |
| Impairment of property, plant and equiment | - | 8,042 | - | 8,042 |
| Impairment on trade receivables | - | 4,175 | - | 4,175 |
| Reversal of impairment on trade receivables | - | - | - | - |
| Interest expense | 4 | - | 5 | 832 |
| Loss/(gain) on disposal of other investment | - | 8 | - | (472) |
| Fair value (gain)/loss on other investment | (1,323) | 514 | 2,102 | 991 |
| Rental income | - | - | - | (68) |
| Interest income | (1) | (9) | (4) | (14) |

## B13. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to owners of parent for the period by the number of ordinary shares in issue during the period.

| | Individual Quarter Quarter Ended | | Cumulative Quarter Period Ended | |
|---|---|---|---|---|
| | **30.9.2025** | **30.9.2024** | **30.9.2025** | **30.9.2024** |
| Loss attributable to owners of the company (RM'000) | (1,380) | (12,053) | (4,606) | (16,322) |
| Weighted average number of ordinary shares (units'000) | 1,050,961 | 914,961 | 1,050,961 | 914,961 |
| Basic & diluted loss per share attributable to owners of the parent (sen) | (0.13) | (1.32) | (0.44) | (1.78) |

* The diluted loss per ordinary share is same as the basic (loss)/earning per share as the average market price of the ordinary shares during the current financial quarter was lower than the exercise price of the warrants and accordingly, the effect of the assumed conversion of warrants outstanding will be anti-dilutive effect and the Company has no other dilutive potential ordinary shares in issue as at the end of the current financial quarter.

## B14. Trade Receivables

| | As at 30.9.2025 RM'000 (unaudited) | As at 31.12.2024 RM'000 (audited) |
|---|---|---|
| Trade receivables | 4,803 | 2,210 |
| Less: Impairment losses | (55) | (55) |
| | 4,748 | 2,155 |

The aging analysis of the Group's trade receivables as at 30 September 2025 is as follows:

| | As at 30.9.2025 RM'000 (unaudited) | As at 31.12.2024 RM'000 (audited) |
|---|---|---|
| Not past due | 1,812 | 1,000 |
| Past due but not impaired: | | |
| - 1 to 30 days | 1,880 | 1,200 |
| - 31 to 60 days | 468 | 10 |
| - more than 61 days | 643 | - |
| Gross trade receivables | 4,803 | 2,210 |
| Less: Allowance for impairment loss | (55) | (55) |
| | 4,748 | 2,155 |

The reconciliation of the allowance for impairment losses of trade receivables are as follows:

| | As at 30.9.2025 RM'000 (unaudited) | As at 31.12.2024 RM'000 (audited) |
|---|---|---|
| At beginning of the financial period/year | (55) | (1,954) |
| Impairment loss recognised | - | (55) |
| Reversal of impairment loss | - | 1,954 |
| At end of the financial period/year | (55) | (55) |

## B15. Authorisation For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Board of Directors.