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

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2025

The Board of Directors of Sinaran Advance Group Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 December 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	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
		Unaudited	Audited	Unaudited	Audited
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	B1	155	2,158	10,633	19,938
Cost of sales		(144)	(2,084)	(9,829)	(19,335)
Gross profit		11	74	804	603
Other income		19	405	1,347	2,674
Selling and distribution expenses		-	3	-	(98)
Administrative expenses		(1,040)	(1,670)	(4,339)	(6,643)
Other operating expenses		(635)	(1,987)	(4,060)	(15,282)
Finance costs		(2)	(629)	(5)	(1,461)
Loss before taxation	B12	(1,647)	(3,804)	(6,253)	(20,207)
Taxation		-	(81)	-	-
Total loss for the period	B1	(1,647)	(3,885)	(6,253)	(20,207)
Other comprehensive loss, net of tax					
Loss from translation reserve		-	(5)	-	(5)
Total comprehensive loss for the period		(1,647)	(3,890)	(6,253)	(20,212)
Loss for the period attributable to :					
- Owner of the Company		(1,647)	(3,885)	(6,253)	(20,207)
Total comprehensive loss for the period attributable to :					
- Owner of the Company		(1,647)	(3,890)	(6,253)	(20,212)
Basic loss per share	B13	(0.16)	(0.42)	(0.59)	(2.21)
Diluted loss per share	B13	(0.16)	(0.42)	(0.59)	(2.21)

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 RM0.6372 for the quarter ended 31 December 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	17	23
Right-of-use assets	87	361
	104	384
Current Assets		
Trade receivables	1,087	2,155
Other receivables	4,464	55
Other investment	10,739	13,655
Cash and bank balances	2,711	1,663
	19,001	17,528
Total assets	19,105	17,912
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	46,702	42,741
Retained earnings	(31,864)	(25,611)
Other reserves	389	(5)
	15,227	17,125
Current Liabilities		
Trade payables	631	-
Other payables	3,158	424
Lease liabilities	36	158
	3,825	582
Non-Current Liabilities		
Lease liabilities	53	205
	53	205
Total liabilities	3,878	787
Total equity and liabilities	19,105	17,912
Net assets per share attributable to owner of the Company (sen)	1.45	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 31 December 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	-	-	-	-	-	(20,207)	(20,207)
Other comprehensive loss for the financial period	-	-	-	-	(5)	-	(5)
Total comprehensive loss for the financial period	-	-	-	-	(5)	(20,207)	(20,212)
Share capital reduction	(68,000)	-	-	-	-	68,000	-
Transfer to retained earnings	-	107,297	(15,225)	-	-	(92,072)	-
Disposal on subsidiaries	-	-	-	-	2,933	-	2,933
At 31 December 2024	42,741	-	-	-	(5)	(25,611)	17,125
At 1 January 2025	42,741	-	-	-	(5)	(25,611)	17,125
Net loss for the financial period	-	-	-	-	-	(6,253)	(6,253)
Total comprehensive loss for the financial period	-	-	-	-	-	(6,253)	(6,253)
Fair value of ESOS recognised	-	-	-	955	-	-	955
Exercise of ESOS	3,961	-	-	(561)	-	-	3,400
At 31 December 2025	46,702	-	-	394	(5)	(31,864)	15,227

Notes:

(a) The comparative figures include the financial results of the foreign subsidiaries, which were translated at an exchange rate of RMB1 to RM0.6138 for the quarter ended 31 December 2024.

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the financial period ended 31.12.2025 RM'000 Unaudited	For the financial period ended 31.12.2024 RM'000 Audited
Cash flows from operating activities		
Loss before taxation	(6,253)	(20,207)
Adjustments for:		
Depreciation of property, plant and equipment	6	1,604
Depreciation of right of use assets	69	652
Bad debt written Off	-	433
ESOS Expenses	955	-
Fair value loss on other investment	2,790	2,580
Gain on disposal of other investment	-	(467)
Gain on disposal of investment in subsidiaries	-	(387)
Interest expenses	6	1,461
Interest income	(6)	(17)
Dividend income	(1)	(2)
Unrealised gain on capital market	(69)	(127)
Unrealised gain on foreign exchange	-	(1,590)
Impairment on property, plant and equipment	-	7,965
Impairment loss on trade receivables	364	55
Operating loss before working capital changes	(2,139)	(8,047)
Decrease in inventories	-	99
(Increase)/Decrease in trade and other receivables	(3,705)	4,740
Increase in amount due from contract customer	-	(828)
Increase in trade and other payables	3,365	1,651
Decrease in amount due to contract customer	-	(4,619)
Cash used in operations	(2,479)	(7,004)
Tax paid	-	(30)
Interest received	-	8
Net cash flows used in operating activities	**(2,479)**	**(7,026)**
Cash flows from investing activities		
Acquisition of other investments	(499)	(11,421)
Acquisition of property, plant and equipment	-	(7)
Placement of short term deposit	(2,500)	-
Withdrawal of short term deposit	3,200	-
Proceeds from disposal of other investment	-	8,663
Net cash inflow/(outflow) of disposal of subsidiaries	-	(107)
Interest received	1	-
Net cash flows generated from/(used in) investing activities	**202**	**(2,872)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	For the financial period ended 31.12.2025 RM'000 Unaudited	For the financial period ended 31.12.2024 RM'000 Audited
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	3,400	-
Lease liability interest	(6)	(35)
Repayment of lease liabilities	(69)	(25)
Term loan interest	-	(1,426)
Net cash flows generated from/(used in) financing activities	**3,325**	**(1,486)**
Net increase/(decrease) in cash and cash equivalents	1,048	(11,384)
Cash and cash equivalents at beginning of the financial year^	1,663	11,881
Effect of exchange translation difference on cash and cash equivalents	-	1,166
Cash and cash equivalents at end of the financial period^	**2,711**	**1,663**

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

	For the financial period ended 31.12.2025 RM'000 Unaudited	For the financial period ended 31.12.2025 RM'000 Audited
Cash and bank balances		
- Malaysian Ringgit	2,711	1,663
- Chinese Yuan	-	-
	2,711	1,663

Notes:

(a) The comparative figures include the financial results of the foreign subsidiaries, which were translated at an exchange rate of RMB1 to RM0.6138 for the quarter ended 31 December 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.

A2. Changes in Accounting Policies

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.

The Group and the Company adopted the following amendments to MFRS mandatory for the period beginning or after 1 January 2025 :

Title
Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability.*

The adoption of the above-mentioned amendments to MFRS has no significant impact on the financial statements of the Group and of the Company.

The following are new MFRSs and amendments to the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") up to the date of the issuance of the Group's and of the Company's financial statements but have not been adopted by the Group and the Company:

Title	**Effective for annual period beginning on or after**
Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvement to MFRS Accounting Standards - *Volume 11*	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027

A2. Changes in Accounting Policies (Cont'd)

MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The directors anticipate that the above-mentioned new MFRSs and amendments to MFRSs will be adopted by the Group and the Company when they become effective.

A3. Qualification of financial statements

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

A4. Seasonal or cyclical factors

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

A5. 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.

A6. 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.

A7. Debt and equity securities

During the quarter under review, 21,644,000 units of Employee Share Options (ESOS) were granted on 18th 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.

A8. Dividend paid

There were no dividends paid during the current financial quarter.

A9. 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	10,633	-	10,633
	10,633	-	10,633
Result			
Segment result	(1,109)	(6,486)	(7,595)
Other income	896	451	1,347
Finance Cost	-	(5)	(5)
Loss before taxation	(213)	(6,040)	(6,253)
Taxation	-	-	-
Loss after taxation	(213)	(6,040)	(6,253)
Segment assets			
As at 31.12.2024	2,648	15,264	17,912
As at 31.12.2025	10,296	8,809	19,105
Segment liabilities			
As at 31.12.2024	425	362	787
As at 31.12.2025	3,730	148	3,878

A10. Valuation of property, plant and equipment

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

A11. Material events subsequent to the end of the current quarter

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

A12. 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.

A13. 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.

A14. Capital commitments

There were no capital commitments as at 31 December 2025.

A15. Significant related party transactions

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

A16. Financial Instruments

a) Categories of Financial Instruments

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

	31.12.2025 RM'000	**31.12.2024 RM'000**
Financial assets		
At amortised cost		
Trade receivables	1,087	2,155
Other receivables	4,464	55
Cash and cash equivalents	2,711	1,663
	8,262	3,873
At fair value		
Other investment	10,739	13,655
Financial liabilities		
At amortised cost		
Trade payables	631	-
Other payables and accruals	3,158	424
Lease liabilities	89	363
	3,878	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.

A17. 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.

<u>Fair value hierarchy</u>

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			
	31.12.2025	31.12.2024	Changes		31.12.2025	31.12.2024	Changes	
	RM'000 (unaudited)	RM'000 (audited)	RM'000	%	RM'000 (unaudited)	RM'000 (audited)	RM'000	%
Revenue	155	2,158	(2,003)	-93%	10,633	19,938	(9,305)	-47%
Gross profit	11	74	(63)	-85%	804	603	201	33%
Loss before tax	(1,647)	(3,804)	2,157	57%	(6,253)	(20,207)	13,954	69%
Loss after tax	(1,647)	(3,885)	2,238	58%	(6,253)	(20,207)	13,954	69%

Quarter ended 31 December 2025 compared with quarter ended 31 December 2024

The Group recorded revenue of RM0.16 million for the current quarter ended 31 December 2025 derived mainly from the repair and maintenance activities undertaken by Sinaran Trinity Sdn Bhd.

The decreased of RM2.00 million or 93% as compared to the preceding corresponding quarter last year (4Q2024), primarily due to lower construction billings as project activities tapered during the quarter.

Despite the decline in revenue, The Group’s loss after tax improved by 58% or RM2.24 million to RM1.65 million compared with RM3.89 million loss in the preceding corresponding quarter. The improvement was mainly attributable to lower depreciation of property, plant and equipment, lower depreciation of right of use assets and the lower interest during the quarter.

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

Group Results	Quarter Ended 31.12.2025 RM'000 (unaudited)	 30.09.2025 RM'000 (unaudited)	Changes RM'000	 %
Revenue	155	2,656	(2,501)	-94%
Gross profit/(loss)	11	(1,736)	1,747	101%
Loss before tax	(1,647)	(1,380)	(267)	-19%
Loss after tax	(1,647)	(1,380)	(267)	-19%

Revenue

For the quarter under review, the Group's revenue decreased by 94% to RM0.16 million compared to RM2.66 million recorded in the preceding quarter.

The decreased of RM2.50 million or 94% was primarily due to lower construction billings as project activities tapered during the quarter.

Loss after tax

Due to the lower revenue, the loss after tax was RM1.65 million as compared to RM1.38 million, an increase of 19% compared to the previous quarter.

B3. Current year prospects

The Group remains cautious on its outlook amid a challenging operating environment for the construction sector. While government support for infrastructure development – particularly in transportation, renewable energy and urban renewal – continues to provide opportunities, the timing and pace of project rollouts may be affected by budgetary constraints and shifting policy priorities. Activity in the commercial and residential property segments remains selective, with overall market conditions continuing to be affected by elevated construction costs, labour shortages and cautious investor sentiment.

Moving forward, the Group will continue focus on strengthening its tender pipeline, improving cost efficiency and pursuing suitable construction opportunities to support its order book and long-term sustainability.

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

	31.12.2025 RM'000 (unaudited)	31.12.2024 RM'000 (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 31 December 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	
	31.12.2025 RM'000 (unaudited)	31.12.2024 RM'000 (audited)	31.12.2025 RM'000 (unaudited)	31.12.2024 RM'000 (audited)
Unrealised loss/(gain) on foreign exchange	-	15	-	(1,590)
Realised (gain)/loss on foreign exchange	-	277	-	296
Depreciation of property, plant and equiment	1	282	6	1,604
Depreciation of right of used assets	9	135	69	652
Bad debts written off	-	433	-	433
Gain on disposal of subsidiaries	-	(387)	-	(387)
Impairment of property, plant and equiment	-	-	-	7,965
Impairment on trade receivables	364	55	364	55
Interest expense	1	629	6	1,461
Loss/(gain) on disposal of other investment	-	5	-	(467)
Fair value (gain)/loss on other investment	688	1,589	2,790	2,580
Unrealised gain on capital market	(17)	(32)	(69)	(127)
Dividend income	(1)	-	(1)	(2)
Rental income	-	-	-	(66)
Interest income	(2)	(3)	(6)	(17)

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	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
Loss attributable to owners of the company (RM'000)	(1,647)	(3,885)	(6,253)	(20,207)
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)	(0.16)	(0.42)	(0.59)	(2.21)

* The diluted loss per ordinary share is same as the basic (loss) 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 31.12.2025 RM'000 (unaudited)	As at 31.12.2024 RM'000 (audited)
Trade receivables	1,506	2,210
Less: Impairment losses	(419)	(55)
	1,087	2,155

The aging analysis of the Group's trade receivables as at 31 December 2025 is as follows:

	As at 31.12.2025 RM'000 (unaudited)	As at 31.12.2024 RM'000 (audited)
Not past due	-	1,000
Past due but not impaired:		
- 1 to 30 days	-	1,200
- 31 to 60 days	1,185	10
- more than 61 days	321	-
Gross trade receivables	1,506	2,210
Less: Allowance for impairment loss	(419)	(55)
	1,087	2,155

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

	As at 31.12.2025 RM'000 (unaudited)	As at 31.12.2024 RM'000 (audited)
At beginning of the financial period/year	(55)	(1,954)
Impairment loss recognised	(364)	(55)
Reversal of impairment loss	-	1,954
At end of the financial period/year	(419)	(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.