STAR MEDIA GROUP BERHAD
Company No. 197101000523 (10894-D)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

Unaudited Condensed Consolidated Statement of Profit or Loss

		3 months ended		Financial period ended	
	Note	**31/03/2026**	**31/03/2025**	**31/03/2026**	**31/03/2025**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	**A7**	39,414	59,440	39,414	59,440
Operating expenses	**A8**	(52,774)	(62,222)	(52,774)	(62,222)
Other operating income	**A9**	3,202	3,581	3,202	3,581
(Loss)/Profit from operations		**(10,158)**	**799**	**(10,158)**	**799**
Finance cost		(108)	(147)	(108)	(147)
(Loss)/Profit before tax		**(10,266)**	**652**	**(10,266)**	**652**
Taxation	**B5**	1,758	(338)	1,758	(338)
(Loss)/Profit for the financial period		**(8,508)**	**314**	**(8,508)**	**314**
Attributable to:					
Owners of the parent		(8,508)	314	(8,508)	314
Non-controlling interests		-	-	-	-
		(8,508)	**314**	**(8,508)**	**314**
Basic/Diluted (loss)/earnings per ordinary share (sen):		(1.17)	0.04	(1.17)	0.04

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

Included in the Operating Expenses are depreciation and amortisation expenses:	(3,746)	(3,663)	(3,746)	(3,663)

Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income
For the period ended 31 March 2026

	3 months ended		Financial period ended	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
	RM'000	RM'000	RM'000	RM'000
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(8,508)	314	(8,508)	314
Non-controlling interests	-	-	-	-
	(8,508)	**314**	**(8,508)**	**314**

(The unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 March 2026

	31/03/2026 RM'000	31/12/2025 RM'000
Non-current assets		
Property, plant and equipment	96,424	97,279
Investment properties	173,488	174,287
Intangible assets	22,174	22,070
Right-of-use assets	6,681	6,858
Other investments		
- Financial assets at fair value through profit or loss	138	177
Deferred tax assets	54	31
	298,959	**300,702**
Current assets		
Inventories	41,063	41,570
Trade and other receivables	31,382	30,400
Current tax assets	2,283	2,103
Cash and bank balances	349,835	358,968
	424,563	**433,041**
TOTAL ASSETS	**723,522**	**733,743**

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 March 2026 (cont'd)

	31/03/2026 RM'000	31/12/2025 RM'000
EQUITY AND LIABILITIES		
Share capital	738,564	738,564
Treasury shares	(6,124)	(6,124)
Foreign exchange translation reserves	2,578	2,578
Reserves	(64,935)	(56,427)
Total equity	**670,083**	**678,591**
Non-current liabilities		
Lease liabilities	4,297	4,963
Deferred tax liabilities	559	2,943
	4,856	**7,906**
Current liabilities		
Trade and other payables	45,658	44,430
Lease liabilities	2,678	2,640
Taxation	247	176
	48,583	**47,246**
Total Liabilities	**53,439**	**55,152**
TOTAL EQUITY AND LIABILITIES	**723,522**	**733,743**
Net assets per share attributable to owners of the parent (RM)	**0.92**	**0.94**

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

Unaudited Condensed Consolidated Statement of Changes in Equity
For the period ended 31 March 2026

	[---------------- Attributable to equity holders of the Company				---------------]
	Share Capital	Foreign Exchange Translation Reserves	Treasury Shares	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2026	**738,564**	**2,578**	**(6,124)**	**(56,427)**	**678,591**
Total comprehensive loss for the period	-	-	-	(8,508)	(8,508)
Balance as at 31 March 2026	**738,564**	**2,578**	**(6,124)**	**(64,935)**	**670,083**

Unaudited Condensed Consolidated Statement of Changes in Equity
For the period ended 31 March 2026 (cont'd)

	[---------------- Attributable to equity holders of the Company ---------------]				
	Share Capital	Foreign Exchange Translation Reserves	Treasury Shares	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2025	**738,564**	**2,692**	**(6,124)**	**(23,139)**	**711,993**
Total comprehensive income for the period	-	-	-	314	314
Balance as at 31 March 2025	**738,564**	**2,692**	**(6,124)**	**(22,825)**	**712,307**

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

Unaudited Condensed Consolidated Statement of Cash Flows
For the period ended 31 March 2026

	31/03/2026 RM'000	31/03/2025 RM'000
Operating activities		
(Loss)/Profit before tax	(10,266)	652
Adjustments for non-cash flow items: -		
Non-cash items	3,699	3,641
Non-operating items	(2,764)	(3,041)
Operating (loss)/profit before working capital changes	**(9,331)**	**1,252**
Changes in working capital		
Net change in current assets	(393)	10,496
Net change in current liabilities	1,236	(7,622)
Cash (used in)/from operations	**(8,488)**	**4,126**
Net tax paid	(758)	(248)
Net cash (used in)/from operating activities	**(9,246)**	**3,878**
Investing activities		
Proceeds from disposal of property, plant and equipment	10	-
Purchase of right-of-use asset	(380)	-
Purchases of property, plant and equipment & investment properties	(1,618)	(1,774)
Interest and investment income received	2,872	3,181
Net cash from investing activities	**884**	**1,407**
Financing activities		
Interest paid	(108)	(147)
Repayment of lease liabilities	(655)	(620)
Net cash used in financing activities	**(763)**	**(767)**
Net (decrease)/increase in cash and cash equivalents	**(9,125)**	**4,518**
Effect of exchange rates fluctuations on cash held	(8)	4
Cash and cash equivalents at beginning of the year	358,968	362,725
Cash and cash equivalents at end of the year	**349,835**	**367,247**

Unaudited Condensed Consolidated Statement of Cash Flows
For the period ended 31 March 2026 (cont'd)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the end of the financial period: -

	31/03/2026 RM'000	31/03/2025 RM'000
Deposits placed with licensed banks	337,141	347,284
Cash and bank balances	12,694	19,963
	349,835	**367,247**

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

Notes to the interim financial report

A1. Basis of preparation

The interim condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim condensed financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

The accounting policies and methods of computation adopted by the Group in these interim condensed financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2025 except for the adoption of the following Amendment to MFRS during the current financial year: -

Amendments to MFRS 9 and MFRS 7	*Classification and Measurement of Financial Statements*
Amendments to MFRS 9 and MFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to MFRS Accounting Standards – Volume 11	

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

The following MFRSs and Amendments to MFRSs have been issued by MASB but are not yet effective to the Group: -

Effective for annual periods on or after 1 January 2027

MFRS 18	*Presentation and Disclosure in Financial Statements*
MFRS 19	*Subsidiaries without Public Accountability: Disclosures*
Amendments to MFRS 10 and MFRS 128	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to MFRS 121	*Translation to a Hyperinflationary Presentation Currency*
Amendments to MFRS 19	*Subsidiaries without Public Accountability: Disclosures*

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

A2. Seasonal or cyclical factors

The operations of the Group's key business segments are generally affected by major festive seasons.

Notes to the interim financial report

A3. Unusual items

There were no unusual items affecting assets, liability, equity, net income or cash flows during the financial period ended 31 March 2026.

A4. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect on the current quarter.

A5. Debt and equity securities

There were no issuances and repayment of debts and equity securities, share cancellations and resale of treasury shares during the financial period ended 31 March 2026.

A6. Dividend paid

No dividend was paid in the current financial period ended 31 March 2026.

Notes to the interim financial report

A7. Segment Reporting

	Print, digital and events RM'000	Radio broadcasting RM'000	Property development and investment RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Financial period ended 31 March 2026						
Sales to external customers	29,565	7,884	1,965	-	-	39,414
Inter-segment sales	1,397	-	-	4,019	(5,416)	-
Total revenue	**30,962**	**7,884**	**1,965**	**4,019**	**(5,416)**	**39,414**
(Loss)/Profit before tax	(5,560)	1,047	(206)	(5,547)	-	(10,266)
Total assets	468,697	45,529	209,156	140	-	723,522
Financial period ended 31 March 2025 (Reclassified)						
Sales to external customers	34,103	8,825	16,512	-	-	59,440
Inter-segment sales	1,326	1	-	6,045	(7,372)	-
Total revenue	**35,429**	**8,826**	**16,512**	**6,045**	**(7,372)**	**59,440**
(Loss)/Profit before tax	(2,426)	1,875	6,505	(5,302)	-	652
Total assets	493,068	49,412	222,569	2,521	-	767,570

Notes to the interim financial report

A8. Operating expenses

	3 months ended		Financial year ended	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
	RM'000	RM'000	RM'000	RM'000
Reversal of credit losses	(80)	(57)	(80)	(57)
Foreign exchange loss	4	2	4	2

A9. Other operating income

	3 months ended		Financial year ended	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
	RM'000	RM'000	RM'000	RM'000
Interest income	75	239	75	239
Investment income	2,797	2,942	2,797	2,942
Foreign exchange gain	25	7	25	7
Gain on disposal of property, plant and equipment	5	-	5	-
Others	300	393	300	393
	3,202	**3,581**	**3,202**	**3,581**

A10. Events subsequent to the end of the reporting period

There are no material events subsequent to the end of the reporting period under review that have not been reflected in the interim condensed financial statements.

A11. Changes in composition of the Group

There are no changes in the composition of the Group during the period under review.

A12. Capital commitments

	RM'000
Authorised capital expenditure not provided for in the financial statements	
- contracted	1,464
- not contracted	12,193
	13,657

Additional information required by Bursa Malaysia Securities Listing Requirements

B1. Review of performance

	Current year quarter ended 31/03/2026 (Q1 2026) RM'000	Preceding year corresponding quarter ended 31/03/2025 (Q1 2025) RM'000
Revenue	39,414	59,440
(Loss)/Profit before tax	(10,266)	652
(Loss)/Profit after tax	(8,508)	314

The Group recorded revenue of RM39.4 million in Q1 2026, representing a 34% decrease from RM59.4 million in Q1 2025. This contraction was mainly attributable to the completion of the Star Business Hub development project in Q2 2025. Additionally, the media landscape faced headwinds as advertising expenditure softened across market, influenced by broader economic uncertainties and geopolitical tensions. Consequently, the Group recorded a loss before tax of RM10.3 million, a reversal from RM0.7 million profit achieved in Q1 2025.

Performance of the respective business segments for Q1 2026 compared to the corresponding quarter of 2025 are as follows: -

Print, Digital and Events – Revenue moderated by 13% to RM31.0 million in Q1 2026 (Q1 2025: RM35.4 million), leading to a loss before tax of RM5.6 million. The performance was hampered by cautious advertiser sentiment amidst a volatile global economy.

Radio Broadcasting – Revenue saw a 11% decline to RM7.9 million in Q1 2026 (Q1 2025: RM8.8 million), resulting in lower profit before tax of RM1.0 million (Q1 2025: RM1.9 million). The segment was impacted by competitive pricing pressures and cautious advertising spend by clients.

Property Development & Investment – This segment recorded a decline in revenue to RM2.0 million from RM16.5 million in Q1 2025. The decrease was primarily due to the completion of the Star Business Hub development project. Correspondingly the segment recorded a loss before tax of RM0.2 million compared to profit before tax of RM6.5 million recorded in Q1 2025.

B2. Variation of results against preceding quarter

	Current quarter ended 31/03/2026 (Q1 2026) RM'000	Preceding quarter ended 31/12/2025 (Q4 2025) RM'000
Revenue	39,414	49,406
(Loss)/Profit before tax	(10,266)	4,140
Loss after tax	(8,508)	(765)

The Group's revenue for the current quarter decreased by 20% to RM39.4 million compared to Q4 2025, mainly attributable to lower advertising income from the Print, Digital and Events segment. While the Radio segment showed resilient performance improvements, it was insufficient to offset the decline in the other segments. The Group recorded a loss before tax of RM10.3 million in Q1 2026, compared to a profit before tax of RM4.1 million in Q4 2025. This was mainly due to the absence of a one-off gain of RM4.1 million from investment property disposal recorded in the preceding quarter, alongside the impact of lower overall revenue.

Additional information required by Bursa Malaysia Securities Listing Requirements

B3. Prospects

The outlook for the global economy remains clouded by persistent geopolitical tensions and evolving trade policies, which continue to weigh down on business sentiments. These factors are expected to moderate the pace of recovery and sustain cost-of-living pressures, further suppressing advertising expenditure across the media industry.

In response, the Group is prioritizing the growth of its digital ecosystem, leveraging data analytics and innovative integrated media solutions to better serve clients while driving operational efficiencies. Supported by a robust financial position, the Group has recently announced and invested in TrustCapital Australian Office Fund No 3 to broaden its income streams while continuing to explore new opportunities for revenue diversification to ensure long-term sustainable growth.

While the near-term outlook remains challenging, the Group is confident that its disciplined approach to financial management and focus on digital innovation will enable it to navigate the current environment and emerge more resilient.

B4. Profit forecast

The Group has not provided any profit forecast in a public document.

B5. Taxation

Taxation comprises the following: -

	3 months ended		Financial period ended	
	31/03/2026 RM'000	31/03/2025 RM'000	31/03/2026 RM'000	31/03/2025 RM'000
Current income tax	650	338	650	338
Deferred tax	(2,408)	-	(2,408)	-
	(1,758)	338	(1,758)	338

The Group's tax expense in the current financial period is primarily attributable to income tax incurred by the Company and its profitable subsidiaries. Deferred tax movements recognised during the period relate to the recognition and reversal of temporary differences.

Additional information required by Bursa Malaysia Securities Listing Requirements

B6. Status of corporate proposal announced

There was no corporate proposal announced that is not completed as at the reporting date.

B7. Lease liabilities

The Group's lease liabilities at the end of the financial period are as follows: -

	As at 31/03/2026 RM'000	As at 31/03/2025 RM'000
Short term lease liabilities		
Unsecured		
- Lease liabilities	2,678	2,620
Long term lease liabilities		
Unsecured		
- Lease liabilities	4,297	6,870

All lease liabilities in 2026 and 2025 are denominated in Ringgit Malaysia.

B8. Changes in material litigation

There is no ongoing material litigation involving the Company and its subsidiaries during the current quarter under review.

B9. Dividend

No interim dividend has been recommended for the current quarter under review.

Additional information required by Bursa Malaysia Securities Listing Requirements

B10. Basic (loss)/earnings per share

The basic (loss)/earnings per share was calculated based on the Group's (loss)/profit after tax attributable to owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial period.

	3 months ended		Financial period ended	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Group's (loss)/profit after tax attributable to owners of the parent (RM'000)	(8,508)	314	(8,508)	314
Weighted average number of ordinary shares outstanding ('000)	724,765	724,765	724,765	724,765
Basic (loss)/earnings per share (sen)	**(1.17)**	**0.04**	**(1.17)**	**0.04**

Diluted earnings per share

The Group did not issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore dilutive to its basic earnings per share.

By Order of the Board

Hoh Yik Siew
Group Company Secretary
19 May 2026
Petaling Jaya, Selangor Darul Ehsan