VARIA BERHAD

Registration No. 199701004603 (420099-X)
(Incorporated in Malaysia)

UNAUDITED RESULTS OF THE GROUP FOR FIRST QUARTER ENDED 30 SEPTEMBER 2025 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.09.2025 RM'000	Audited As at 30.06.2025 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	12,109	12,223
Inventories	19,931	15,074
Investment properties	11,580	11,580
Goodwill on consolidation	369,332	369,332
Intangible assets	38,465	44,621
Prepayments	3,148	3,148
	454,565	455,978
Current Assets		
Inventories	6,411	8,386
Contract costs	498	295
Contract assets	95,451	57,392
Trade receivables	132,036	144,761
Other receivables, deposits and prepayments	45,454	40,950
Current tax assets	874	891
Deposits placed with licensed banks	6,978	6,940
Cash and bank balances	21,408	18,725
	309,110	278,340
TOTAL ASSETS	763,675	734,318
EQUITY AND LIABILITIES		
Equity Attributable To Owners Of The Parent		
Share capital	394,387	394,387
Retained earnings	9,680	8,167
Total Equity	404,067	402,554
Non Current Liabilities		
Loans and borrowings	54,530	61,728
Deferred tax liabilities	9,587	11,065
	64,117	72,793
Current Liabilities		
Contract liabilities	50,251	54,434
Trade payables	158,698	133,478
Other payables, accruals and deposits	1,232	666
Loans and borrowings	83,336	70,259
Current tax liabilites	1,974	134
	295,491	258,971
Total Liabilities	359,608	331,764
TOTAL EQUITY AND LIABILITIES	763,675	734,318
Net assets per share attributable to owner of the parent	0.93	0.93

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025.

VARIA BERHAD

Registration No. 199701004603 (420099-X)
(Incorporated in Malaysia)

UNAUDITED RESULTS OF THE GROUP FOR FIRST QUARTER ENDED 30 SEPTEMBER 2025 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PREVIOUS CORRESPONDING QUARTER	**CURRENT YEAR TO-DATE**	PRECEDING YEAR TO-DATE
	3-month	**3-month**	**3-month**	**3-month**
	30.09.2025	30.09.2024	**30.09.2025**	30.09.2024
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**161,420**	114,760	**161,420**	114,760
Cost of sales	**(144,529)**	(101,942)	**(144,529)**	(101,942)
Gross profit	**16,891**	12,818	**16,891**	12,818
Other operating income	**459**	37	**459**	37
Total income	**17,350**	12,855	**17,350**	12,855
Administrative operating costs	**(5,817)**	(4,426)	**(5,817)**	(4,426)
Amortisation of intangible assets	**(6,156)**	-	**(6,156)**	-
Profit from operation	**5,377**	8,429	**5,377**	8,429
Finance income	**181**	82	**181**	82
Finance cost	**(1,966)**	(1,885)	**(1,966)**	(1,885)
Profit before taxation	**3,592**	6,626	**3,592**	6,626
Tax expense	**(2,080)**	(2,128)	**(2,080)**	(2,128)
Total comprehensive profit for the period	**1,512**	4,498	**1,512**	4,498
Earnings per share : --	**sen**	sen	**sen**	sen
- basic / diluted	**0.35**	1.04	**0.35**	1.04

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025.

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UNAUDITED RESULTS OF THE GROUP FOR FIRST QUARTER ENDED 30 SEPTEMBER 2025 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Total Equity
	RM'000	RM'000	RM'000
Group			
At 1 July 2024 (Audited)	381,713	6,080	387,793
Total comprehensive profit for the financial year	-	2,088	2,088
Issuance of ordinary shares, representing total transaction with owners	12,674	-	12,674
At 30 June 2025 (Audited)	394,387	8,168	402,555
Total comprehensive profit for the financial period	-	1,512	1,512
At 30 September 2025 (Unaudited)	**394,387**	**9,680**	**404,067**

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR YEAR ENDED 30 SEPTEMBER 2025

	Note	CURRENT YEAR ENDED 30.09.2025	PRECEDING PERIOD ENDED 30.09.2024
		RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**3,592**	**6,626**
Adjustments for :			
Non-cash items		**6,602**	**387**
Non-operating items (which are investing/financing)		**73**	**1,807**
Operating profit before changes in working capital		**10,267**	**8,820**
Changes in working capital :			
Net changes in current assets		**(42,690)**	**21,639**
Net changes in current liabilities		**31,371**	**(13,189)**
Cash from operations		**(1,052)**	**17,270**
Interest paid		**(73)**	**(1,807)**
Tax paid		**(1,701)**	**(1,846)**
Net cash (used in)/from operating activities		**(2,826)**	**13,617**
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash used in investing activities		**(369)**	**(3,971)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash from financing activities		**5,868**	**13,192**
Net increase in cash and cash equivalents		**2,673**	**22,838**
Cash and cash equivalents at beginning of financial period		**4,794**	**(1,116)**
Cash and cash equivalents at end of the financial period	(i)	**7,467**	**21,722**
Note (i) :			
Represented by :			
Cash and bank balances		**21,408**	**25,632**
Deposits placed with licensed banks		**6,978**	**6,658**
Less : Pledged deposits		**(6,978)**	**(6,658)**
		21,408	**25,632**
Less : Bank Overdraft		**(13,941)**	**(3,910)**
		7,467	**21,722**

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025.

VARIA BERHAD
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<u>Notes to the Interim Financial Report</u>

A1 Corporate information

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

A2 Basis of preparation

The interim financial statements of the Group and of the Company for the fourth quarter ended 30 June 2025 is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 30 June 2025.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2025 except for those standards, amendments and interpretations which are effective from the annual year beginning on or after 1 July 2025 as disclosed below.

A3 Changes in Accounting policies

New MFRSs and amendments to MFRSs that have been issued, but yet to be effective
The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial years beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

A3 Changes in Accounting policies (cont'd)

New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

MFRS 18 Presentation and Disclosure in Financial Statements
MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

A4 Seasonal or cyclical factors
The business operations of the Group were not affected by any significant seasonal or cyclical factors.

A5 Items affecting assets, liabilities, equity, net income or cash flows
There were no 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 Change in estimates
There were no significant changes in the estimates of amounts reported in the interim periods of prior financial years that have a material effect in the current financial quarter.

A7 Debt and equity securities
There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

A8 Dividend paid
No dividend was paid for the current quarter under review.

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Notes to the Interim Financial Report (cont'd)

A9 Segment Revenue and Segment Result by Business Segments

Segment information is presented in respect of the Group's business segment. All inter-segment transactions have been entered into in the normal course of business and have been established under terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of the inter-segment transactions are eliminated on consolidation.

Business Segments	Investment Holding	Property Development	Construction	Property Investment	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2025							
Revenue							
External sales	-	4,079	159,672	26	-	(2,357)	161,420
Inter-segment sales	-	-	-	-	-	-	-
	-	4,079	159,672	26	-	(2,357)	161,420
EBITDA	(1,077)	(17)	16,081	16	(307)	(2,357)	12,339
Results							
Segment result	(1,141)	(70)	15,573	16	(307)	(8,513)	5,558
Finance costs	(1,222)	(64)	(680)	-	-	-	(1,966)
(Loss)/Profit before tax	(2,363)	(134)	14,893	16	(307)	(8,513)	3,592
Tax (expense)/credit	-	-	(3,549)	(5)	(4)	1,478	(2,080)
(Loss)/Profit after tax	(2,363)	(134)	11,344	11	(311)	(7,035)	1,512

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Notes to the Interim Financial Report (cont'd)

A9 Segment Revenue and Segment Result by Business Segments (cont'd)

Business Segments	Investment Holding RM'000	Property Development RM'000	Construction RM'000	Property Investment RM'000	Others RM'000	Elimination RM'000	Group RM'000
3 months ended 30 September 2024							
Revenue							
External sales	-	2,477	112,258	25	-	-	114,760
Inter-segment sales	-	-	-	-		-	-
	-	2,477	112,258	25	-	-	114,760
EBITDA	(1,089)	(317)	10,462	18	(137)	(39)	8,898
Results							
Segment result	(1,240)	(472)	10,204	18	7	(6)	8,511
Finance costs	(1,700)	(148)	(43)	-		6	(1,885)
(Loss)/Profit before tax	(2,940)	(620)	10,161	18	7	-	6,626
Tax expense	-	-	(2,119)	(6)	(3)	-	(2,128)
(Loss)/Profit after tax	(2,940)	(620)	8,042	12	4	-	4,498

Notes to the Interim Financial Report (cont'd)

A10 Valuation of property, plant and equipment and investment properties

The fair value of the investment properties is determined by directors' estimation and referring to an external independent property valuer, with professional qualifications and recent experience in the location and category of property being valued.

A11 Material subsequent events

(i) On 8 October 2025, the Company announced that it had on 8 October 2025 lodged the required information and relevant documents in relation to the Sukuk Murabahah Programme with the Securities Commission Malaysia ("SC") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015, effective on 15 June 2015 and revised on 5 February 2024 (as amended from time to time).

The Sukuk Murabahah Programme entails multiple issuances of rated and/or unrated IMTN. The Sukuk Murabahah Programme shall have a perpetual tenure and the IMTNs issued thereunder shall have a tenure of at least 1 year and up to 30 years.

The proceeds from issuance of the Sukuk Murabahah shall be utilised by the Company for the following Shariah-compliant purposes:-

(a) To finance the capital expenditure of Varia's group of companies ("Varia Group");

(b) To refinance all or part of any existing Shariah-compliant and/or existing outstanding conventional indebtedness incurred or future Shariah-compliant indebtedness to be undertaken by Varia Group;
(c) To finance Varia's working capital and other general corporate purposes;
(d) To finance Varia Group's projects, investments and asset development, replacement and/or acquisitions that are being undertaken and/or to be undertaken in the future;
(e) To fund the fees, costs, expenses and all other amounts payable under or in relation to the Sukuk Murabahah; and
(f) To fund any minimum required balance in any designated account, if applicable.

Bank Islam Malaysia Berhad is the Principal Adviser, Lead Arranger, Lead Manager, Facility Agent and Shariah Adviser for the Sukuk Murabahah Programme.

(ii) On 23 October 2025, the Company announced it intends to seek the shareholders' approval for the Proposed Share Buy-back ("Proposal") at the forthcoming Annual General Meeting of the Company.

(iii) On 24 November 2025, the Company announced that Varia Crest Sdn Bhd, a wholly-owned subsidiary of Varia Properties Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, had entered into a Joint Venture Agreement with Citaglobal Property Development Sdn Bhd (formerly known as Sinergi Dayang Sdn Bhd), a subsidiary of Citaglobal Berhad, to jointly develop a piece of leasehold land held under Master Title PN 27027, Lot 147, Seksyen 87, Mukim Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan K.L. comprising in area of approximately 6,410 square meters ("Land") for a proposed mixed development within the Land comprising of office and commercial spaces together with all necessary infrastructure.

Notes to the Interim Financial Report (cont'd)

A11 Material subsequent events (cont'd)

Other than the above, there were no material events subsequent to the end of the period under review, which are likely to affect the result of the Group's operation substantially.

A12 Changes in composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A13 Contingent liabilities or contingent assets

The Company has given corporate guarantees amounting to RM327.22 million (30/06/2025: RM327.22 million) to licensed banks for banking facilities granted to a subsidiary. Consequently, the Company is contingently liable for the amount of banking facilities utilised by subsidiaries amounting to RM48.81 million (30/06/2025: RM29.96 million).

Additional information required by Bursa Malaysia Listing Requirements

B1 Review of performance

	INDIVIDUAL PERIOD		
	CURRENT YEAR QUARTER 3-month 30.09.2025 RM'000	PREVIOUS YEAR CORRESPONDING QUARTER 3-month 30.09.2024 RM'000	Change %
Revenue	161,420	114,760	41%
Gross profit	16,891	12,818	32%
EBITDA	12,339	8,898	39%
Profit before tax	3,592	6,626	-46%
Profit after tax	1,512	4,498	-66%

Quarterly

For the current financial quarter, the Group recorded revenue of RM161.42 million, a 41% increase compared to RM114.76 million in the corresponding quarter of the previous year. The increased in revenue in line with the rise in gross profit, which improved by 32% to RM16.89 million from RM12.81 million.

Profit before tax ("PBT") for the quarter was recorded at RM3.59 million, representing a 46% decrease from RM6.63 million in the corresponding previous year quarter. The decline was mainly attributable by the recognition of RM4.68 million of amortisation of intangible assets net deferred tax expense during the current quarter.

Additional information required by Bursa Malaysia Listing Requirements (cont'd)

B1 Review of performance (cont'd)

Construction remained the Group's key contributor for the quarter, supported by progress from ongoing projects, namely RTB Sungai Muar RM28.61 million, Pulau Indah RM26.26 million, RTB Sungai Johor RM23.33 million, Perkeso Setiu RM11.09 million, Puspahanas RM10.41 million. Gross profit margin for the segment remained stable at 10%–11%, reflecting consistent profitability across project execution.

The property development segment reported revenue of RM4.08 million and gross profit of RM43,000, mainly driven by Taman Arowana Phase 1B residential development, comprising of single-storey of 106 units and double-storey Phase of 142 units. The segment recorded a loss before tax of RM134,000 for the quarter. Performance is expected to improve in subsequent periods with the commencement of revenue and profit recognition from the double-storey units.

The investment holdings segment posted a loss before tax of RM2.36 million, mainly arising from financing costs and staff-related expenses.

B2 Comparison of the quarterly results to the results of the immediate preceding quarter.

	CURRENT QUARTER ENDED 30.09.2025 RM'000	IMMEDIATE PRECEDING QUARTER ENDED 30.06.2025 RM'000	Change %
Revenue	161,420	169,754	-5%
Gross profit	16,891	19,454	-13%
EBITDA	12,339	12,444	-1%
Profit before tax	3,592	470	664%
Profit/(loss) after tax	1,512	(3,645)	141%

For the quarter, the Group recorded revenue of RM161.42 million, a slight decrease from RM169.75 million in the immediate preceding quarter. This was in line by a decrease in gross profit, which declined by 13% to RM16.89 million from RM19.45 million.

Revenue for the quarter was primarily driven by progress from ongoing construction projects including Pulau Indah, Puspahanas, RTB Sungai Muar, RTB Sungai Johor, and Perkeso Setiu.

Despite the decrease in revenue and gross profit, profit before tax improved significantly to RM3.59 million compared to RM470,000 in the preceding quarter, representing an increase of 664%. The improvement in PBT was mainly due to the amortisation of intangible assets was calculated based on one quarter's figures, while the previous immediate quarter recognised the amortization of two quarters at once.

Additional information required by Bursa Malaysia Listing Requirements (cont'd)

B3 Prospects

The Department of Statistics Malaysia reported that construction work for the first three quarters of 2025 reached RM132.2 billion, a 13.3% increase from the same period in 2024, supported by growth across all subsectors. In line with this positive market outlook, the Group continues to strengthen its position in both the construction and property development segments.

The Construction segment will maintain its focus on the execution of on-going projects, while actively pursuing new opportunities in the infrastructure, oil and gas, and environmental engineering works to further expand its order book. As at 30 September 2025, the Group's outstanding order book stood at approximately RM2.50 billion, comprising projects in infrastructure, education, rehabilitation institutions and environmental initiatives. This sizeable pipeline reflects the Group's capability to undertake diverse and complex projects, reinforcing its resilience amid a challenging economic environment.

In property development, the Taman Arowana project progressed with 106 single-storey units and the launch of 72 double-storey units in the second half of 2025, supported by improving market sentiment.

On 24 November 2025, the Group announced that Varia Crest Sdn Bhd had entered into a Joint Venture Agreement with Citaglobal Property Development Sdn Bhd to jointly develop a 6,410-sqm leasehold parcel in Kuala Lumpur into a mixed development comprising office and commercial spaces.

Overall, the Group remains cautiously optimistic. With a strong order book, ongoing tendering efforts, and initiatives to broaden income streams in FY2026, Varia Berhad is well-positioned to achieve higher revenue and enhance long-term shareholder value.

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Additional information required by Bursa Malaysia Listing Requirements (cont'd)

B4 Profit forecast

The Group does not issue any profit forecast during the current financial quarter under review.

B5 Profit Before Tax

Profit before tax is arrived at after (crediting) / charging: -

	Current Quarter 30-Sep-25 3-month RM'000	Preceding Quarter 30-Sep-24 3-month RM'000	Current YTD 30-Sep-25 3-month RM'000	Preceding YTD 30-Sep-24 3-month RM'000
Interest income	(181)	(82)	(181)	(82)
Interest expenses	1,966	1,885	1,966	1,885
Depreciation expenses	515	294	515	294
Depreciation - right of used of asset	110	94	110	94

B6 Taxation

	Current Quarter 30-Sep-25 3-month RM'000	Preceding Quarter 30-Sep-24 3-month RM'000	Current YTD 30-Sep-25 3-month RM'000	Preceding YTD 30-Sep-24 3-month RM'000
- Current year tax	3,557	2,128	3,557	2,128
- Deferred tax	(1,478)	-	(1,478)	-
Total	**2,080**	**2,128**	**2,080**	**2,128**

Provision for tax was made in the current quarter on business and non-business income derived mainly from operating income, rental, interest on repo and fixed deposit.

Deferred tax is derived from the amortization of intangible assets in this quarter.

B7 Unquoted investments and properties

There was no sale of unquoted investments or properties for the current quarter and financial period to date.

B8 Purchase or disposal of quoted investments

There was no purchase or disposal of quoted investments for the current quarter.

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<u>Additional information required by Bursa Malaysia Listing Requirements (cont'd)</u>

B9 Borrowing

The Group borrowings are as follows: -

	As at 30-Sep-25 RM'000	As at 30-Jun-25 RM'000
<u>Short Term Borrowings (Secured)</u>		
- Term loans	29,862	29,659
- Lease liabilities	387	516
- Hire purchase	988	953
- Bank overdrafts	13,941	13,931
- Revolving credit	38,158	25,200
	83,335	70,259
<u>Long Term Borrowings (Secured)</u>		
- Term loans	50,418	57,339
- Lease liabilities	1,634	1,619
- Hire purchase	2,479	2,771
	54,530	61,728
Total Borrowings	137,865	131,987

B10 Material litigation

There is no material litigation for the financial period as at 30 September 2025.

B11 Dividend

No dividends were proposed or declared for the current quarter and financial period to date (2025: RM Nil).

B12 Earnings per share

The basic/diluted earnings per share for the financial period has been calculated based on the consolidated profit after taxation attributable to the owners of the parent of RM1.52 million and on the number of ordinary shares issue of 432,500,000.

By Order of the Board
Chin Foong Ping
MAICSA 7044276
Company Secretary
Petaling Jaya
27 November 2025