WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)
(Incorporated in Malaysia)

Date : 25 February 2026

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2025

Table of contents

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2025
(The figures have not been audited)

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	RM'000	RM'000	RM'000
Revenue	465,466	552,836	1,972,986	1,834,010
Cost of sales	(393,389)	(534,877)	(1,636,156)	(1,526,080)
Gross profit	72,077	17,959	336,830	307,930
Other income	17,643	64,789	97,131	286,631
Other expenses	(21,948)	(7,280)	(57,418)	(47,542)
Administrative expenses	(41,120)	(49,410)	(173,267)	(165,116)
Finance costs	(30,630)	(44,865)	(149,037)	(158,031)
Share of profit/(loss) after tax of associates	24,980	(4,100)	48,992	18,707
Share of profit after tax of joint ventures	5,821	11,290	13,865	31,514
	26,823	(11,617)	117,096	274,093
Income tax	(16,404)	68,148	(39,719)	47,170
Profit for the period	10,419	56,531	77,377	321,263
Attributable to:				
Equity holders of the Company	9,984	57,308	47,814	277,942
Holders of Perpetual Sukuk	1,579	-	32,133	46,792
Non-controlling interest	(1,144)	(777)	(2,570)	(3,471)
Profit for the period	10,419	56,531	77,377	321,263
Attributable to equity holders of the Company :				
Basic earnings per share (sen)	0.64	3.68	3.07	19.04
Fully diluted earnings per share (sen)	- ^	- ^	- ^	- ^

^ *Fully diluted earnings per share are not presented as there are no dilutive potential ordinary shares.*

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2025
(The figures have not been audited)

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Profit for the period	10,419	56,531	77,377	321,263
Other comprehensive (loss)/income:				
Currency translation differences arising from consolidation	(1,879)	(24,959)	(4,630)	(1,956)
Revaluation of freehold land and buildings	9,933	4,491	9,933	4,491
Capital reserve	-	(2,817)	-	(2,817)
Other comprehensive (loss)/income for the period, net of tax	8,054	(23,285)	5,303	(282)
Total comprehensive income for the period	18,473	33,246	82,680	320,981
Total comprehensive income for the period attributable to :				
Equity holders of the Company	18,192	33,685	53,490	277,471
Holders of Perpetual Sukuk	1,579	-	32,133	46,792
Non-controlling interest	(1,298)	(439)	(2,943)	(3,282)
	18,473	33,246	82,680	320,981

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	AS AT 31.12.2025 UNAUDITED RM'000	AS AT 31.12.2024 AUDITED RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	374,682	385,818
Right-of-use assets:		
- Property, plant and equipment	44,011	35,516
- Investment properties	98,161	107,076
Intangible assets	100,630	89,736
Inventory properties under development	1,510,378	1,521,083
Investment properties	63,800	64,200
Investment in associates	1,108,632	143,723
Investment in joint ventures	577,797	601,427
Trade receivables	244,827	255,286
Other receivables	8,150	7,899
Deferred tax assets	22,268	21,405
	4,153,336	3,233,169
Current assets		
Inventory properties under development	302,116	447,853
Inventories	153,230	155,284
Trade receivables	753,415	636,904
Contract assets	1,348,463	1,281,383
Other receivables	268,450	308,984
Due from related parties	189,710	647,171
Tax recoverable	28,450	23,069
Cash and bank balances	587,387	567,400
	3,631,221	4,068,048
Non-current assets classified as held for sale	-	1,806,152
TOTAL ASSETS	7,784,557	9,107,369
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	3,337,123	3,337,123
Reserves	(1,482,183)	(1,487,859)
Retained earnings	1,495,737	1,447,923
Treasury shares, at costs	(381)	(381)
	3,350,296	3,296,806
Perpetual Sukuk	539,131	538,730
Non-controlling interest	(52,118)	(58,067)
Total equity	3,837,309	3,777,469

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd.)

	AS AT 31.12.2025 UNAUDITED RM'000	AS AT 31.12.2024 AUDITED RM'000
EQUITY AND LIABILITIES (Cont'd)		
Non-current liabilities		
Trade payables	88,306	78,482
Contract liabilities	904	904
Other payables	11,253	10,313
Lease commitment payable	69,998	76,873
Hire purchase and lease liabilities	115,529	124,655
Borrowings	937,929	847,060
Deferred tax liabilities	80,352	66,677
	1,304,271	1,204,964
Current liabilities		
Trade payables	966,957	1,092,728
Contract liabilities	17,293	35,472
Other payables	122,379	199,320
Lease commitment payable	6,876	6,001
Hire purchase and lease liabilities	23,003	18,180
Due to related parties	903	2,371
Borrowings	1,495,996	2,730,466
Tax payable	9,570	16,974
	2,642,977	4,101,512
Liabilities associated with assets held for sale	-	23,424
Total Liabilities	3,947,248	5,329,900
TOTAL EQUITY AND LIABILITIES	7,784,557	9,107,369
Net asset per share (RM)	2.15	2.11

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2025

	Attributable to Equity Holders of the Company											
	Non-Distributable						Distributable					
	Share capital RM'000	Treasury shares RM'000	Internal reorganisation reserve RM'000	Exchange reserve RM'000	Capital reserve RM'000	Revaluation reserve RM'000	General reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling interest RM'000	Total equity RM'000
Preceding year corresponding period												
At 1 January 2024	3,212,796	(381)	(1,554,791)	(64,141)	61,646	68,460	1,438	1,171,491	2,896,518	820,133	(29,785)	3,686,866
Profit/(loss) for the period	-	-	-	-	-	-	-	277,942	277,942	46,792	(3,471)	321,263
Other comprehensive income	-	-	-	(2,145)	(2,817)	4,491	-	-	(471)	-	189	(282)
Total comprehensive income/(loss) for the period	-	-	-	(2,145)	(2,817)	4,491	-	277,942	277,471	46,792	(3,282)	320,981
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(46,792)	-	(46,792)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(1,510)	(1,510)	-	-	(1,510)
Redemption of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(332,000)	-	(332,000)
Redemption of redeemable convertible preference shares ("RCPS") of a subsidiary by a non-controlling interest	-	-	-	-	-	-	-	-	-	-	(25,000)	(25,000)
Arising from placement shares	124,598	-	-	-	-	-	-	-	124,598	-	-	124,598
Issuance of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	49,984	-	49,984
Incidental costs of placement shares	(271)	-	-	-	-	-	-	-	(271)	-	-	(271)
Amortization of transaction cost	-	-	-	-	-	-	-	-	-	613	-	613
At 31 December 2024	3,337,123	(381)	(1,554,791)	(66,286)	58,829	72,951	1,438	1,447,923	3,296,806	538,730	(58,067)	3,777,469
Current year to date												
At 1 January 2025	3,337,123	(381)	(1,554,791)	(66,286)	58,829	72,951	1,438	1,447,923	3,296,806	538,730	(58,067)	3,777,469
Profit/(loss) for the period	-	-	-	-	-	-	-	47,814	47,814	32,133	(2,570)	77,377
Other comprehensive loss	-	-	-	(4,257)	-	9,933	-	-	5,676	-	(373)	5,303
Total comprehensive income/(loss) for the period	-	-	-	(4,257)	-	9,933	-	47,814	53,490	32,133	(2,943)	82,680
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(32,133)	-	(32,133)
Arising from acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	8,892	8,892
Amortization of transaction cost	-	-	-	-	-	-	-	-	-	401	-	401
At 31 December 2025	3,337,123	(381)	(1,554,791)	(70,543)	58,829	82,884	1,438	1,495,737	3,350,296	539,131	(52,118)	3,837,309

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2025

	Year-To-Date Ended	
	31.12.2025 UNAUDITED RM'000	**31.12.2024 UNAUDITED RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	117,096	274,093
Adjustments for:-		
Non-cash items	36,300	50,681
Non-operating items - financing	108,516	116,034
Non-operating items - investing	(52,674)	(283,888)
Operating profit before working capital changes	209,238	156,920
Net changes in assets	376,976	13,148
Net changes in liabilities	(250,978)	(65,563)
Cash flows generated from operating activities	335,236	104,505
Taxation paid	(44,931)	(19,361)
Net cash generated from operating activities	290,305	85,144
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	40,522	41,997
Investments in:		
- joint ventures	(1,760)	(134,246)
- an associate	-	(30)
Acquisition of subsidiaries, net of cash acquired	(16,009)	-
Redemption of RCPSs of a subsidiary by a non-controlling interest	-	(25,000)
Redemption of cumulative redeemable preference shares by an associate	1,268	2,489
Redemption of RCPS by a joint venture	35,000	51,000
Gross proceed from corporate exercise	1,027,000	-
Property, plant and equipment	(217)	(14,026)
Investment properties	-	(4,323)
Dividend received from:		
- associates	-	52,794
- joint ventures	7,675	9,850
Withdrawal of/(placement in) deposits with licensed banks	45,325	(14,848)
Net cash generated from/(used in) investing activities	1,138,804	(34,343)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(163,722)	(171,105)
Proceeds from private placement exercises	-	124,598
Incidental costs of issuance of Perpetual Sukuk	-	(271)
Dividend paid by subsidiaries to non-controlling interest	-	(1,510)
Distribution to holders of Perpetual Sukuk	(32,133)	(46,792)
Issuance of Perpetual Sukuk	-	49,984
Redemption of Perpetual Sukuk	-	(332,000)
Payment of principal portion of lease liabilities	(27,260)	(25,627)
Net (repayment)/drawdown of borrowings	(1,143,989)	484,254
Net cash (used in)/generated from financing activities	(1,367,104)	81,531
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR	62,005	132,332
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	462,380	324,518
Foreign exchange differences	3,308	5,530
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR *	527,693	462,380

* *Cash & cash equivalents excludes cash and deposits with licensed bank pledged as security amounting to RM50,131,333 and deposits with maturities more than 3 months amounting to RM9,562,628.*

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

A EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with 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 ("Bursa Malaysia").

The interim 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 for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

A2 Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those adopted in preparing the audited financial statements for the financial year ended 31 December 2024, except for the adoption of the following new MFRS Accounting Standards ("MFRSs") and Amendments to MFRSs with effect from 1 January 2025.

MFRSs and Amendments to MFRSs

Description	**Effective for annual periods beginning on or after**
Amendments to MFRS 121: *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*	1 January 2025

The Directors do not expect that the adoption of the above new accounting standards to have a material impact on the financial statements in the periods of initial application.

A3 Audit Qualification

There was no audit qualification in the auditors' report of the Company relating to the audited financial statements for the financial year ended 31 December 2024.

A4 Seasonal Or Cyclical Factors

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

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 31 December 2025.

A6 Changes In Estimates

There were no changes in estimates that have had any material effect during the current quarter ended 31 December 2025.

A7 Changes In Debt and Equity Securities

There were no issuance, cancellation, resale, repurchase and repayment of debt and equity securities during the period under review.

A8 Dividends

Please refer to Explanatory Note B10.

A9 Segmental Information

	Investment holding, Engineering and construction RM'000	Property development RM'000	Property investment and management RM'000	Unallocated RM'000	Eliminations RM'000	Consolidated RM'000
12 months period ended 31 December 2025						
Revenue						
External	940,605	806,792	225,589	-	-	1,972,986
Inter segment	482,368	-	4,770	-	(487,138)	-
	1,422,973	806,792	230,359	-	(487,138)	1,972,986
Segment results						
Profit from operations	2,934	133,290	67,052	-	-	203,276
Share of results of associates	(878)	3,095	45,287	1,488	-	48,992
Share of results of joint ventures	-	(7,679)	21,544	-	-	13,865
Finance costs						(149,037)
Taxation						(39,719)
Profit for the financial period						77,377
Profit attributable to :-						
- Equity holders of the Company						47,818
- Holders of Perpetual Sukuk						32,133
- Non-controlling interest						(2,574)
						77,377
12 months period ended 31 December 2024						
Revenue						
External	1,049,334	516,220	268,456	-	-	1,834,010
Inter segment	243,697	-	4,782	-	(248,479)	-
	1,293,031	516,220	273,238	-	(248,479)	1,834,010
Segment results						
Profit from operations	(25,384)	36,886	370,401	-	-	381,903
Share of results of associates	(53)	31,309	-	(12,549)	-	18,707
Share of results of joint ventures	-	(6,784)	38,298	-	-	31,514
Finance costs						(158,031)
Taxation						47,170
Profit for the financial period						321,263
Profit attributable to :-						
- Equity holders of the Company						277,942
- Holders of Perpetual Sukuk						46,792
- Non-controlling interest						(3,471)
						321,263

A10 Non-current assets classified as held for sale and liabilities associated with assets held for sale

On 3 July 2024 and 18 September 2024, the Company announced its intentions to establish and to list the Paradigm Real Estate Investment Trust ("Paradigm REIT"), and has earmarked, amongst others, the investment properties (retail malls) of Gemilang Waras Sdn. Bhd. ("GWSB") and WCT Hartanah Jaya Sdn. Bhd. ("WCTHJ") as well as inventory properties under development (2 parcels of vacant land currently used by GWSB as open-air car park for its retail mall) to be injected into Paradigm REIT (collectively, the "WCT Subject Properties").

Additionally, WCT Land Sdn. Bhd. ("WCTL"), being a corporate shareholder of Jelas Puri Sdn. Bhd. ("Jelas Puri"), has also obtained approval from the other corporate shareholder to inject the investment property (a retail mall) of Jelas Puri into Paradigm REIT ("Jelas Puri Subject Property").

The proposed disposals of WCT Subject Properties and Jelas Puri Subject Property to Paradigm REIT ("Subject Properties") have a total disposal consideration of RM2,437,000,000 to be satisfied via the issuance of 1,600,000,000 new undivided interest in Paradigm REIT ("Units") (based on an assumed issue price of RM1.00 per REIT unit) and cash consideration of RM837,000,000. The Directors have concluded that the WCT Subject Properties have met the criteria of non-current assets classified as held for sale in accordance with MFRS 5 Non-current Assets Held for Sale and Discontinued Operations on 19 November 2024, being the date on which the application in relation to the establishment and listing of Paradigm REIT was submitted to the Securities Commission Malaysia (the "Submission Date").

As part of the transaction relating to the establishment and listing of Paradigm REIT, GWSB and WCTHJ are to transfer to Paradigm REIT their tenant deposits payable related to the WCT Subject Properties. Accordingly, these deposits payable were also reclassified from other payables to liabilities associated with assets held for sale on the Submission Date.

The disposals of the Subject Properties were completed on 10 June 2025.

A11 Valuation of Property, Plant and Equipment

Certain property, plant and equipment were revalued, resulting in an increase of approximately RM12.738 million.

A12 Subsequent Material Events

There was no material event subsequent to the quarter ended 31 December 2025.

A13 Effects Of Changes In The Composition Of The Group

(i) On 28 March 2025, WCTL disposed its 1,000 ordinary share representing the entire shareholding in Paradigm Capital Berhad to RHB Trustees Berhad, the trustees of Paradigm REIT.

(ii) On 9 June 2025, a total of 1,600,000,000 units in Paradigm REIT ("Units") were issued, of which 810,000,000 Units were issued to the Company, 230,000,000 Units were issued to Jelas Puri and the remaining 560,000,000 Units were made available for sale by WCTHJ.

Paradigm REIT is a 60.69%-owned associate of the Company. Please refer to Explanatory Note B7 for further details on the transaction and on Paradigm REIT.

A13 Effect Of Changes In The Composition Of The Group (Cont'd)

(iii) On 30 September 2025, Musandam WCT Development LLC was incorporated in the Sultanate of Oman with an issued and paid-up share capital OMR250,000 (approximately RM2,740,000*) comprising 250,000 shares of OMR1.00 each. WCT International Sdn. Bhd. a wholly-owned subsidiary of WCT Berhad ("WCTB") which in turn is a wholly-owned subsidiary of the Company has subscribed for 49% of the share capital of Musandam WCT Development LLC and the remaining 51% was subscribed by a third party.

(iv) On 30 September 2025, WCT Musandam Construction LLC was incorporated in Sultanate of Oman with an issued and paid-up share capital Omani Rial of OMR150,000 (approximately RM1,644,000*) comprising 150,000 shares of OMR1.00 each. WCTB has subscribed for 51% of the share capital of WCT Musandam Construction LLC and the remaining 49% was subscribed by a third party.

* Based on exchanges rate as at 30 September 2025

(v) On 22 September 2025, WCTL entered into a Share Purchase Agreement to acquire 51% equity interest in Champion Vista Sdn. Bhd. ("CVSB") for a total cash consideration of RM17,850,000. The acquisition was completed subsequently, and accordingly, CVSB and its subsidiary, Aliran Tiasa Sdn. Bhd., became subsidiaries of the Company.

(vi) On 7 November 2025, CVSB completed the acquisition of the entire issued and paid-up share capital of Fabulous First Sdn. Bhd. ("FFSB"), comprising 1 ordinary share of RM1.00. Following the acquisition, FFSB became a wholly-owned subsidiary of CVSB and an indirect subsidiary of the Company.

The fair value of identifiable assets and liabilities of CVSB and its subsidiaries ("CVSB Group"):

	Fair value RM'000	Carrying value RM'000
Total assets		
Property, plant and equipment	5,885	5,219
Right-of-use assets	12,156	12,156
Intangible assets	9,271	-
Inventories	466	466
Trade and other receivables	5,324	5,324
Amount due from related companies	1,594	1,594
Amount due to holding company	4,380	4,380
Cash and cash equivalents	1,841	1,841
	40,917	30,980
Total liabilities		
Trade and other payables	(7,618)	(7,618)
Income tax payable	(23)	(23)
Hire purchase payable	(95)	(95)
Lease liabilities	(12,235)	(12,235)
Deferred tax liabilities	(2,412)	(27)
Term loan	(388)	(388)
	(22,771)	(20,386)
Net identifiable assets	18,146	10,594

A13 Effect Of Changes In The Composition Of The Group (Cont'd)

	RM'000
The effect of the acquisition on cash flows is as follows:	
Cash and cash equivalents of CVSB Group	1,841
Less: Consideration settled in cash	(17,850)
Net cash outflow to the Group	(16,009)
Goodwill arising on the acquisition:	
Fair value of net identifiable assets acquired	9,255
Goodwill on acquisition	8,595
Cost of acquisition	17,850

Save as disclosed above, there were no material changes in the Group's composition during the current quarter ended 31 December 2025.

A14 Contingent Liabilities

Contingent liabilities of the Group as at 19 February 2026 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly unaudited financial report) comprised mainly bank guarantees and letters of credits totalling RM337.097 million and RM14.160 million respectively which have been provided by the Group to various third parties in the ordinary course of business and relating to tax matters under appeal amounting to RM1.634 million. The changes in contingent liabilities since 31 December 2024 are as follows:-

(a) Bank Guarantees and Letters of credit

	Bank Guarantees RM'000	Letters of credit RM'000
Balance as at 31 December 2024	450,163	13,503
Extended/utilised during the financial period	71,183	48,972
Discharged/paid during the financial period	(184,249)	(48,315)
Balance as at 19 February 2026	337,097	14,160

(b) The tax matters under appeal of the Group totalling RM1.634 million are in respect of service tax of a foreign subsidiary.

A15 Capital Commitments

There are no material commitments except for as follows:-

	31.12.2025 RM'000
Approved and contracted for :	
Property, plant and equipment	19

A16 Significant Related Party Transactions

The Group had the following significant transactions with related parties during the period ended 31 December 2025:

	RM'000
Contract revenue from companies in which a director has interests	220,397
Contract costs to a company in which a director has interests	115,463
Interest receivable from joint ventures	16,934
Management fee receivable from joint ventures and associates	15,299
Lease expense payable to joint ventures	600
Lease expense payable to companies in which certain directors have interests	1,686

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF BURSA MALAYSIA

B1 Review of performance

For the current quarter under review, the Group recorded revenue and profit attributable to equity holders of RM465 million and RM10 million, respectively, compared to revenue of RM553 million and profit attributable to equity holders of RM57 million in the corresponding quarter of preceding year.

Engineering and Construction and Property Development segments were the Group's main contributors of revenue, at RM204 million and RM210 million respectively, accounting for 89% of the Group's consolidated revenue. The Property Investment & Management segment contributed RM51 million, representing approximately 11% of the Group's consolidated revenue.

The decrease in revenue was mainly due to a reduction of RM145 million in the engineering and construction segment, from RM349 million in the corresponding quarter of preceding year to RM204 million in current quarter, as several projects had reached advanced stages of completion. In addition, the Group's revenue reflects non-consolidation of Paradigm Mall Johor Bahru and Bukit Tinggi Shopping Centre following the completion of the injection of these malls into Paradigm REIT on 10 June 2025. Consequently, revenue contribution from property investment and management segment decreased by RM20 million.

Notwithstanding the above, revenue from property development segment increased by RM78 million to RM210 million compared to the corresponding quarter of preceding year.

The decrease of RM47 million in profit attributable to equity holders for the current quarter was mainly due to fair value gain on investment property and reversal of deferred tax for malls in the preceding year's corresponding quarter.

For the current year, the Group's revenue increased by 8%, from RM1,834 million to RM1,973 million. Operating profit decreased to RM203 million from RM382 million in the preceding year. The increase in revenue was mainly driven by higher sales and billings in the property development segment, as well as revenue from sale of lands. Higher operating profit in the preceding year was mainly due to a gain on dilution of interest in a joint venture amounting to RM184 million.

B1 Review of performance (contd')

Engineering and Construction

For the current year, this segment recorded revenue and operating profit of RM941 million and RM3 million respectively, compared to revenue of RM1,049 million and operating loss of RM25 million in the preceding year. Lower revenue was mainly attributable to slower progress of projects nearing completion. The improvement in operating profit was primarily driven by continued implementation of enhanced project monitoring and cost control measures, resulting in improved overall operational efficiency.

Property Development

For the current year, this segment recorded higher revenue of RM807 million (2024: RM516 million) and higher operating profit of RM133 million (2024: RM37 million). The increase in revenue and operating profit were mainly due to higher sales and billings, as well as land sales.

Property Investment and Management

For the current year, this segment recorded revenue of RM226 million (2024: RM268 million) and operating profit of RM67 million (2024: RM370 million). The lower revenue was mainly due to the absence of revenue contributions from Paradigm Mall Johor Bahru and BBT Mall after their injection into Paradigm REIT on 10 June 2025. The lower operating profit was mainly due to a gain on dilution of interest in a joint venture amounting to RM184 million recognised in preceding year.

The Group reported basic earnings per share of 3.07 sen, as compared to 19.04 sen recorded in the preceding year.

B2 Comparison With Immediate Preceding Quarter's Results

For the quarter under review, revenue declined marginally to RM465 million from RM483 million in the preceding quarter, primarily due to slower progress of construction projects nearing completion. Profit attributable to equity holders amounted to RM10 million (preceding quarter: RM11 million).

B3 Profit for the period

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	CURRENT QUARTER 31.12.2025 RM'000	PRECEDING FINANCIAL YEAR CORRESPONDING QUARTER 31.12.2024 RM'000	CURRENT CUMULATIVE QUARTER 31.12.2025 RM'000	PRECEDING CORRESPONDING QUARTER 31.12.2024 RM'000
Profit for the period is arrived at after crediting/ (charging):				
Interest income	12,629	5,716	28,518	25,388
Interest expense and sukuk profit	(30,630)	(44,865)	(149,037)	(158,031)
Depreciation & amortisation	(9,326)	(6,745)	(37,394)	(37,006)
Property, plant and equipment written off	(4,813)	(10)	(4,940)	(10)
Net impairment of allowance for expected credit losses of receivables	(1,021)	(443)	(2,133)	617
Gain on disposal of property, plant and equipment	54	(1,064)	1,211	(782)
Loss on foreign exchange	(1,238)	9,370	(3,800)	(5,005)

B4 Prospects For The Financial Year 2026

On 22 January 2026, Bank Negara Malaysia stated in its monetary policy statement that the global growth for 2025 turned out higher than expected, mainly reflecting lower-than-anticipated tariffs, higher artificial intelligence (AI)-led tech spending and stronger fiscal support. For 2026, while the impact of tariffs could weigh on global growth, the outlook remains resilient, supported by sustained domestic demand, moderating inflation, robust tech investments, and supportive fiscal and monetary policies. Downside risks remain, arising from potentially higher tariffs, further escalation in geopolitical tensions and heightened volatility in global financial markets. Additionally, there are continued concerns over the elevated valuations in financial markets. Upside potential includes stronger tech spending, a milder tariff impact on economic activity and pro-growth policies in major economies

For the Malaysian economy, growth for 2025 is expected to be around the upper end of the forecast range. This growth momentum is expected to continue in 2026, supported by resilient domestic demand. Employment, wage growth and income-related policy measures will remain supportive of household spending.

Investment activity will be driven by the progress of multi-year projects in both the private and public sectors, implementation of new smaller-scale public projects, continued high realisation of approved investments, as well as the ongoing implementation of national master plans. External sector will benefit from continued strength in electrical and electronics (E&E) exports and higher tourist spending. This growth outlook remains subject to uncertainties, in particular surrounding global developments. Downside risks remain from slower global trade and lower-than-expected commodity production. Meanwhile, upside potential to growth could arise from a better global growth outlook, stronger demand for E&E goods, and more robust tourism activity.

Overall the engineering and construction industry continues to face a challenging environment but we are hopeful of the rollout of bigger projects in Malaysia in the near future. Our Engineering and Construction Division will continue to focus on project execution and cost recovery from completed projects. To replenish our order book, we have allocated additional resources to secure new jobs both locally and overseas. For Property Development, the resilient Malaysian economy are expected to stimulate further the demand for our property development offerings and launches. The strong Malaysian household spending coupled with the pickup in tourist arrivals will continue to revitalise the Group's retail malls business and in particular the airport malls, as well as the hotels and business aviation services.

B5 Variance of Actual Profit From Forecast Profit

Not applicable to the Group.

B6 Taxation

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:				
Malaysian income tax				
- current financial period	5,630	11,640	37,653	34,205
- prior years/ periods	175	(2,436)	(5,530)	(5,776)
Deferred taxation	10,599	(77,352)	7,596	(75,599)
	16,404	(68,148)	39,719	(47,170)

The Group's effective tax rate for current quarter and current year ended 31 December 2025 (excluding the results of associates and joint ventures, which are equity accounted net of tax) were higher than the statutory tax rate mainly due to certain expenses that were not deductible for tax purposes.

The Group's effective tax rate for preceding year corresponding quarter and preceding year cumulative quarter ended 31 December 2024 (excluding the results of associates and joint ventures, which are equity accounted net of tax) were lower than the statutory tax rate.

B7 Status of Corporate Proposals Announced

The Group did not announce any corporate proposal which has not been completed as at 19 February 2026 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

Disclosure pursuant to the Circular dated 25 March 2025 :Utilisation of Proceed from the Injection of the Subject Properties into Paradigm REIT.

Descriptions	Estimated timeframe for use of proceeds from the date of Listing	Proposed Utilisation	Actual utilisation	Balance to be utilised
		RM'000	RM'000	RM'000
Repayment of borrowings of the Group (excluding GWSB's and WCTHJ's	Within 12 months	838,000	(863,092)	Completed
Repayment of borrowings of GWSB and WCTHJ	Immediate	478,946	(456,204)	Completed
Defray estimated expenses relating to the Proposals	Within 1 month	17,653	(15,303)	Completed
Working capital	Within 2 months	62,401	(62,401)	Completed

B8 Group Borrowings And Debt Securities

Details of the Group's borrowings are as follows:-

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Long Term Borrowings		
Secured:-		
Term loans	207,929	347,060
Unsecured:-		
Sukuk Murabahah	730,000	500,000
	937,929	847,060
Short Term Borrowings		
Secured :-		
Revolving credit	295,468	428,490
Term loans	64,569	868,144
Medium term notes	-	310,000
	360,037	1,606,634
Unsecured :-		
Trade facilities	23,809	34,332
Revolving credit	342,150	429,500
Sukuk Murabahah	770,000	660,000
	1,135,959	1,123,832
	1,495,996	2,730,466
Total Borrowings	2,433,925	3,577,526

Key:
Sukuk Murabahah-Sukuk issued under the Company's RM1.5 billion Sukuk Murabahah Programme

B9 Material Litigation

There is no material litigation pending from 31 December 2024 (being the date of the last annual statement of financial position) to 19 February 2026 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly unaudited financial report) in which the Group is engaged either as plaintiff or defendant, and the Board of the Company has no knowledge of any proceedings pending or threatened against the Company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group during the said period.

B10 Dividends

There was no dividend declared in respect of the current quarter and the corresponding quarter in the previous year.

B11 Earnings Per Share- Basic/Diluted

	Quarter Ended 31.12.2025	Year-To-Date Ended 31.12.2025
(a) Basic Earnings Per Share		
Earnings attributable to the equity holders of the Company (RM'000)	9,988	47,818
Weighted average number of ordinary shares in issue, excluding treasury shares ('000)	1,558,900	1,558,900
Basic earnings per share (sen)	0.64	3.07

(b) Fully Diluted Earnings Per Share

Fully diluted earnings per share are not presented as there are no dilutive potential ordinary shares.

Date: 25 February 2026