



GFM SERVICES BERHAD

[Registration No. 201301003302 (1033141-H)]
(Incorporated in Malaysia)

Year 2026

Quarterly Announcement

For the Second Quarter Ended 30 June 2026

GFM SERVICES BERHAD [Registration No. 201301003302 (1033141-H)]

The Board of Directors of GFM Services Berhad ("GFM" or the "Company") ("Board") is pleased to announce the following unaudited consolidated results for the quarter and financial period ended ("FPE") 30 June 2026.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Individual quarter		Cumulative period	
		Current year	Preceding year	Current year	Preceding year
		quarter	quarter	to-date	to-date
		30/6/2026 ⁽¹⁾	30/6/2025	30/6/2026 ⁽¹⁾	30/6/2025
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	94,980	52,362	177,652	100,312
Cost of sales		(68,108)	(35,361)	(128,585)	(63,817)
Gross profit		26,872	17,001	49,067	36,495
Other income		1,153	894	1,788	1,434
Administrative expenses		(8,943)	(3,223)	(16,154)	(8,430)
Profits from operations		19,082	14,672	34,701	29,499
Finance costs		(5,276)	(6,425)	(10,454)	(12,944)
Share of results of an associate and joint venture, net of tax		99	283	45	492
Profit before tax	B13	13,905	8,530	24,292	17,047
Tax expense	B5	(5,460)	(2,778)	(9,084)	(5,283)
Profit/Total comprehensive income for the period		8,445	5,752	15,208	11,764
Profit for the period attributable to:					
Equity holders of the parent		7,354	5,752	13,433	11,764
Non-controlling interests		1,091	-	1,775	-
		8,445	5,752	15,208	11,764
Total comprehensive income for the period attributable to:					
Equity holders of the parent		7,354	5,752	13,433	11,764
Non-controlling interests		1,091	-	1,775	-
		8,445	5,752	15,208	11,764
Earnings per share (sen)					
- Basic ⁽²⁾		0.97	0.76	1.77	1.55
- Diluted ⁽³⁾		0.97	0.76	1.77	1.55
Dividends per share (sen)		0.20	N/A	0.20	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2026(CONT'D)

Notes:

- (1) *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 financial year ended ("FYE") 31 December 2025 and the accompanying explanatory notes attached to the interim financial report.*
- (2) *Basic earnings per share for the individual quarter and financial year are calculated based on the Company's weighted average share capital during the financial quarter/year.*
- (3) *Diluted earnings per share of the Company for the individual quarter and financial year are calculated based on the profit for the financial quarter/year attributable to owners of the Company and its subsidiaries ("GFM Group" or "Group") and the weighted average number of ordinary shares outstanding during the financial quarter/year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.*

N/A Not Applicable

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GFM SERVICES BERHAD [Registration No. 201301003302 (1033141-H)]
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	Unaudited as at 30/06/2026 ⁽¹⁾ RM'000	Audited as at 31/12/2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		16,493	16,248
Investment property		31,974	31,913
Operating financial assets		244,903	252,657
Intangible assets		77,446	77,986
Investment in associate		105	105
Investment in joint venture		2,759	2,759
Other investments		5,885	5,840
Deferred tax assets		290	299
Total non-current assets		379,855	387,807
Current assets			
Operating financial assets		25,698	26,584
Inventory		1,499	605
Trade receivables		29,531	19,258
Other receivables, deposits & prepayments		100,882	85,280
Tax recoverable		8,370	3,849
Deposits, cash and bank balances		154,195	165,797
Total current assets		320,175	301,373
Total assets		700,030	689,180
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		118,321	118,321
Retained earnings		162,004	149,785
Share option reserve and share grant reserve		-	304
Reorganisation deficit		(45,265)	(45,265)
Shareholders' equity		235,060	223,145
Attributable to equity holder of the Company			
Non-controlling interest		2,971	1,196
Total equity		238,031	224,341
Non-current liabilities			
Borrowings	B9	235,572	258,167
Deferred tax liabilities		52,281	52,402
Total non-current liabilities		287,853	310,569
Current liabilities			
Trade payables		39,496	34,322
Other payables and accruals		60,632	51,540
Amount due to joint venture company		207	108
Amount due to directors		65	-
Borrowings	B9	66,827	66,370
Tax payable		6,919	1,930
Total current liabilities		174,146	154,270
Total liabilities		461,999	464,839
Total equity and liabilities		700,030	689,180
Net assets per share attributable to equity holders of the Company (RM)			
		0.21	0.19

Notes:

- (1) The Unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the FYE 31 December 2025 and the accompanying explanatory notes attached to the interim financial report.

GFM SERVICES BERHAD [Registration No. 201301003302 (1033141-H)]
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL PERIOD ENDED 30 JUNE 2026

	-----Attributable to owners of the Company-----					
	Share capital RM'000	Reorganisation deficit RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance as of 1 January 2026	118,321	(45,265)	150,089	223,145	1,196	224,341
Comprehensive income						
Profit for the financial period	-	-	13,433	13,433	1,775	15,208
Transactions with owners						
Dividends paid on shares	-	-	(1,518)	(1,518)	-	(1,518)
Balance as of 30 June 2026	<u>118,321</u>	<u>(45,265)</u>	<u>162,004</u>	<u>235,060</u>	<u>2,971</u>	<u>238,031</u>
Balance as of 1 January 2025	118,317	(45,265)	140,464	213,516	-	213,516
Comprehensive income						
Profit for the financial period	-	-	11,764	11,764	-	11,764
Transactions with owners						
Issue of ordinary shares	4	-	-	4	-	4
Dividends paid on shares	-	-	(5,849)	(5,849)	-	(5,849)
Balance as of 30 June 2025	<u>118,321</u>	<u>(45,265)</u>	<u>146,379</u>	<u>219,435</u>	<u>-</u>	<u>219,435</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	Year-to-date ended	
	30/6/2026 ⁽¹⁾	30/6/2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	24,292	17,047
Adjustment for:		
Amortisation of intangible assets	608	606
Depreciation of property, plant and equipment	1,308	1,050
Gain on lease termination	-	(18)
Interest expense	10,454	12,944
Interest income	(1,560)	(1,403)
Interest income on operating financial asset	(14,557)	(14,311)
Share of results of an associate	-	(492)
	<u>20,545</u>	<u>15,423</u>
Movements in working capital:		
Increase/(Decrease) in:		
Trade and other receivables	(25,507)	(54,455)
Inventories	(893)	(966)
Trade and other payables	14,159	12,746
Operating financial assets	<u>23,196</u>	<u>49,569</u>
Cash Generated From Operations	<u>31,500</u>	<u>22,317</u>
Bad debts recovered		
Income tax paid	(8,945)	(6,440)
Income tax refund	218	2,476
Interest paid	(10,454)	(12,944)
Interest received	<u>1,193</u>	<u>1,176</u>
Net Cash From Operating Activities	<u>13,512</u>	<u>6,585</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capitalization of expenditure on work-in-progress		
Purchase of other investment	(45)	-
Investment in subsidiary GFM International Sdn. Bhd.	(68)	-
Change of escrow account, finance service reserve account, liquidity reserve account, revenue account and disbursement account	15,601	(1,903)
Change in pledge deposits	(31,260)	3,527
Dividend received	-	6,000
Purchase of property, plant and equipment	(1,553)	(769)
Purchase of investment properties	(61)	(468)
Proceeds from disposal of property, plant and equipment	-	42
Net Cash (Used in)/From Investing Activities	<u>(17,386)</u>	<u>6,429</u>

GFM SERVICES BERHAD [Registration No. 201301003302 (1033141-H)]
**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026
(CONT'D)**

	Year-to-date ended	
	30/06/2026 ⁽¹⁾	30/06/2025
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from directors	64	-
Advances from subsidiaries	48	-
Advances from related companies	158	-
Dividend paid	(1,519)	(11,848)
Repayment of term loans	(34,919)	(17,392)
Repayment of hire purchase obligations	(218)	-
Proceeds from issuance of shares	-	4
Drawdown of Sukuk	-	48,926
Redemption of Sukuk	13,000	(6,000)
Net Cash (Used in)/From Financing Activities	<u>(23,386)</u>	<u>13,690</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(27,260)	26,704
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	67,155	26,861
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>39,895</u>	<u>53,565</u>
Cash and cash equivalents comprise:		
Cash and bank balances	86,684	82,220
Fixed deposits with a licensed bank	<u>67,511</u>	<u>94,917</u>
	154,195	177,137
Less: Bank overdraft	-	(782)
Deposits pledged as securities	(43,807)	(20,585)
Escrow account	(22,476)	(27,440)
Finance Service Reserve Account	(9,758)	(36,717)
Liquidity Reserve Account	(7,224)	(13,503)
Revenue Account	(14,723)	(19,641)
Disbursement Account	(1)	(1)
Maintenance Reserve Fund	(12,923)	-
Designated Account	<u>(3,388)</u>	<u>(4,903)</u>
	<u>39,895</u>	<u>53,565</u>

Notes:

- (1) The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the FYE 31 December 2025 and the accompanying explanatory notes attached to the interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2026

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") ("LISTING REQUIREMENTS")

A1 Basis of Preparation

This condensed consolidated interim financial report is unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the interim financial report on the condensed consolidated results for the period ended 30 June 2026 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the annual financial statements of the Group. This unaudited condensed consolidated interim financial report should be read in conjunction with the audited financial statements for the FYE 31 December 2025 and the accompanying explanatory notes attached to the interim financial report.

The accompanying explanatory notes attached to this unaudited condensed consolidated interim financial report provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of GFM Group since FYE 31 December 2025.

A2 Changes in Accounting Policies

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

(i) Accounting pronouncements that are effective and adopted during the financial year

Amendments to MFRS 121

Lack of Exchangeability

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and the Company.

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A2 Changes in Accounting Policies (cont'd)
(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Company has not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Company:

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments
Amendments that are part of Annual Improvements - Volume 11:	
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 107	Statement of Cash Flows
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 and Amendments to MFRS 19	Subsidiaries without Public Accountability Disclosures
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and the Company upon their initial applications, except for:

MFRS 18 Presentation and Disclosure in Financial Statement

MFRS 18 will replace MFRS 101, Presentation of Financial Statements and applies for annual period beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement cash flows when presenting the operating cash flows under the indirect method.

The Group and the Company are currently assessing the impact of adopting MFRS 18.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2025 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations are not materially affected by seasonal or cyclical factors during the current financial quarter and financial period under review.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter and current financial period under review.

A6 Changes in Estimates

There were no changes in estimates that have had a material effect during the current financial quarter and current financial period under review.

A7 Changes in Debt and Equity Securities

During the period under review, the shareholders approved the Proposed Share Buy-Back Authority up to 10% of the company's total number of issued shares at the Extraordinary General Meeting ("EGM") held on 18 June 2026. The proposal is aimed at providing the Company with an additional capital management tool to enhance shareholder value and optimise the utilisation of surplus funds, while maintaining the Group's financial flexibility and supporting long-term growth. Any ordinary shares repurchased under the proposed authority will be retained as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

The Group continued to meet its scheduled repayment obligations under its existing financing arrangements during the current financial quarter and current financial period review.

On 10 July 2026, the Company conducted a share buy-back with a total of 200,000 ordinary shares at price RM0.17 per ordinary shares, for a total cash consideration of RM34,000.00.

On 20 July 2026, the Company conducted another share buy-back with a total of 185,000 ordinary shares at price RM0.17 per ordinary shares, for a total cash consideration of RM31,552.00.

A8 Dividends Paid

A Single Tier Interim Dividend of 0.20 sen per share was declared on 12 March 2026 for the financial year ended 31 December 2025 and paid on 8 May 2026.

A Single Tier Interim Dividend of 0.20 sen per share was declared on 25 May 2026 for the financial year ended 31 December 2026 and paid on 23 July 2026.

A9 Segmental Information

Current year to date 30 June 2026

	Facilities Management Services & Consultancy RM'000	Concession arrangements RM'000	Energy RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue						
External revenue	67,438	14,557	96,706	-	(1,049)	177,652
Inter-segment revenue	-	-	-	-	-	-
	<u>67,438</u>	<u>14,557</u>	<u>96,706</u>	<u>-</u>	<u>(1,049)</u>	<u>177,652</u>
Profits from operations						
External profit /(loss)	16,895	15,065	9,678	(5,888)	(1,049)	34,701
Inter-segment profit	(3)	5,624	(13)	11,501	(17,109)	-
	<u>16,892</u>	<u>20,689</u>	<u>9,665</u>	<u>5,613</u>	<u>(18,158)</u>	<u>34,701</u>

A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current financial quarter and current financial period under review.

A11 Changes in the Composition of the Group

There were no material events subsequent to the current financial quarter and current financial period under review.

A12 Contingent Liabilities or Contingent Assets

There have been no changes in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2025, in relation to a corporate guarantee provided by a subsidiary for companies related to the former shareholders of Highbase Strategic Sdn. Bhd. ("HSSB").

Following the proposed acquisition of 60% of Shapadu Energy, the Company has granted the vendor a call option to acquire up to 15% of the shares. The call option represents a contingent obligation that may arise if exercised. As at the date of this announcement, the option has not been exercised.

A13 Capital Commitments

There were no capital commitments during the current financial quarter and current financial period under review.

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B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS**B1 Review of Performance****Overall performance**

For the six-month period ended 30 June 2026 ("1H 2026"), the Group's revenue increased by 77.2% year-on-year ("YoY") to RM177.7 million, compared to RM100.3 million in the previous year's corresponding period ("1H 2025"). The higher revenue was driven by higher contributions from both the Energy and Facilities Management ("FM") segments.

In terms of revenue composition, the Energy segment accounted for 54.4% of the Group's revenue in 1H 2026, while the FM and Concession segments contributed approximately 37.9% and 7.7% respectively.

Gross profit ("GP") increased to RM49.1 million in 1H 2026 from RM36.5 million in 1H 2025. However, the GP margin moderated to 27.6% from 36.4% in the corresponding period. The lower margin mainly reflected a change in the Group's revenue mix, with a higher proportion of revenue contributed by the Energy segment, which operates at a different margin profile.

Administrative expenses increased to RM16.2 million in 1H 2026 (1H 2025: RM8.4 million). The increase was mainly attributable to the enlarged operations of the Group, including the consolidation of Shapadu Energy's administrative cost, together with higher operating and compliance-related expenses during the financial period.

Consequently, the Group recorded a profit before tax ("PBT") of RM24.3 million in 1H 2026 (1H 2025: RM17.0 million) and profit after tax ("PAT") of RM15.2 million (1H 2025: RM11.8 million) while profit attributable to equity holders of the parent ("net profit") rose to RM13.4 million (1H 2025: RM11.8 million).

Energy

Revenue from the Energy segment increased to RM96.7 million in 1H 2026, compared with RM33.6 million in 1H 2025, mainly attributable to the consolidation of Shapadu Energy following the completion of its acquisition in November 2025, as well as additional work orders executed under the existing TA4MS contract at the Pengerang Integrated Complex ("PIC").

The Group's enlarged Energy segment continues to broaden its revenue base and market presence within the oil and gas services industry. The ongoing TA4MS contract at PIC and the integration of Shapadu Energy are expected to support the Group's operational capabilities and longer-term earnings base.

Facilities Management and Concession

The FM segment recorded revenue of RM67.4 million in 1H 2026 (1H 2025: RM52.4 million). The increase was mainly attributable to higher revenue contribution from variation order works during the financial period.

The Concession Arrangements ("Concession") segment contributed revenue of RM13.5 million in 1H 2026 (1H 2025: RM14.3 million). The lower contribution was mainly attributable to lower interest income from the Group's Operating Financial Asset as the asset continues to mature.

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B2 Comparison with Preceding Quarter's Results

	Current year quarter 30/6/2026 RM'000	Preceding quarter 31/3/2026 RM'000	Variance RM'000	%
Revenue	94,980	82,672	12,308	14.9%
Profit before tax	13,905	10,387	3,518	33.9%
Profit after tax	8,445	6,763	1,682	24.9%
Profit attributable to equity holder	7,354	6,079	1,275	21.0%

Quarter-on-quarter ("QoQ"), GFM's revenue grew to RM95.0 million in current year quarter ("2Q 2026") compared to RM82.7 million in 1Q 2026, mainly driven by higher contributions from variation order works in the FM segment.

Gross profit ("GP") also improved to RM26.9 million in 2Q 2026 (1Q 2026: RM22.2 million), with a higher GP margin of 28.3% (1Q 2026: 26.8%).

Consequently, profit before tax ("PBT") increased to RM13.9 million in 2Q 2026 (1Q 2026: RM10.4 million) and profit after tax ("PAT") rose to RM8.4 million in 2Q 2026 (1Q 2026: RM6.8 million) while profit attributable to equity holders of the parent ("net profit") stood higher at RM7.4 million, compared to RM6.1 million in 1Q 2026.

B3 Prospects
Energy

As FY2026 progresses, the Group is supported by an expanded portfolio of plant turnaround capabilities within its Energy segment. Three of GFM's subsidiaries now hold TA4MS ("Turnaround Main Mechanical and Maintenance Mechanical Static") contracts, namely Highbase Strategic Sdn Bhd ("HSSB"), a wholly owned subsidiary; Shapadu CR Asia Sdn Bhd ("SCRA"), a 60%-owned indirect subsidiary; and HIMS Integrated Services Sdn Bhd ("HIMS"), the 51%-owned joint venture with HSSB and Mun Siong. Together, these entities hold eight contracts spanning the utilities, refinery and petrochemical zones of the Pengerang Integrated Complex ("PIC") in Johor.

This places the Group among the few Malaysian operators able to mobilise integrated turnaround maintenance services at scale.

The key near-term catalyst is the maiden plant turnaround for Pengerang Refining Company Sdn Bhd and Pengerang Petrochemical Company Sdn Bhd, both known as PRefChem at PIC. Preparatory activities are slated for 2026, with the secured turnaround work packages set to commence in 2027. As the first turnaround exercise for these facilities, the scope is sizeable. The Group's combined scope of work are expected to involve approximately 8,000 personnel and 3 million manhours, providing meaningful revenue visibility for the Energy segment over the next two financial years.

As at August 2026, the Group had secured cumulative release orders related to the turnaround activities amounting to RM231.3 million, providing meaningful revenue visibility for the Energy segment and underpinning GFM's financial performance in FY2027, when execution of the turnaround work is expected to ramp up.

The Group will prioritise the safe and timely execution of the awarded works, supported by effective manpower mobilisation, cost control and contract management. Successful delivery will strengthen the Group's track record and position it to pursue other turnaround and maintenance opportunities within the downstream oil and gas industry.

Facilities Management and Concession

As at 30 June 2026, the Group's total outstanding order book under this segment stood at RM0.8 billion.

Cornerstone contracts continue to anchor the segment, including the JKR maintenance FM contract (RM69.9 million, until March 2027), the UiTM Tapah FM contract (RM62.2 million, until 2034), and the UiTM Mukah concession (RM669.4 million, until 2035).

While certain FM contracts are approaching maturity and operating costs have risen due to ageing assets, the segment continues to provide recurring and predictable income providing a stable foundation for the Group's cash flow and supporting earnings visibility over the medium term.

B3 Prospects (cont'd.)
Highway Rest and Service Areas ("RSA")

Leading the Group's RSA pipeline is a 1.74-hectare site at Sungai Muda, Penang, along the PLUS North-South Expressway. Development order and building plan approvals have been secured, while the procurement process has commenced, placing the project in its final stage prior to commencement. Additional sites in Melaka and Pahang remain at an early stage of development.

Under the business model, the Group will own and manage the assets, operate the petrol stations and lease the food and beverage and retail spaces to third party operators. This is expected to generate recurring income from fuel retailing and rental activities while complementing the Group's existing concession and asset management capabilities.

Looking ahead, the Group's earnings base is expected to become increasingly diversified as Energy-related services contribute a larger share of the business. While this shift may result in a different margin profile from the Group's traditional FM-led model, the Group believes it will broaden its addressable market, strengthen revenue resilience, and position it for sustainable long-term growth.

B4 Variance Between Actual Profit and Forecast Profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	Individual quarter		Cumulative period	
	Current year quarter 30/06/2026 RM'000	Preceding year quarter 30/06/2025 RM'000	Current year to-date 30/06/2026 RM'000	Preceding year to-date 30/06/2025 RM'000
Income tax				
Current period	5,524	2,973	9,196	5,676
Underprovision in prior year	-	3	-	3
	<u>5,524</u>	<u>2,976</u>	<u>9,196</u>	<u>5,679</u>
Deferred tax				
Current period	(73)	(198)	(121)	(396)
Underprovision in prior year	9	-	9	-
	<u>(64)</u>	<u>(198)</u>	<u>(112)</u>	<u>(396)</u>
Total tax expense	<u>5,460</u>	<u>2,778</u>	<u>9,084</u>	<u>5,283</u>

	Cumulative Current year to-date 30/06/2026 RM'000
Profit before tax	24,292
Taxation	9,084
Effective tax rate ("ETR")	37%

The Group's ETR for the financial year-to-date is higher than the statutory tax rate of 24% mainly due to the unallowable expenses, deferred tax, group elimination incurred during the financial period under review.

The Group has computed the tax effects of all Special Purpose Vehicles ("SPVs") in accordance with Section 60I(1) of the Income Tax Act 1967 and Public Ruling No. 8/2023. SPVs qualifying under the legislation are consolidated for tax computation purposes, while non-qualifying SPVs are computed separately.

B6 Unquoted Investments and Properties

There were no purchases or sales of unquoted investment or properties for the current financial quarter and current financial period under review.

B7 Quoted Securities

There were no acquisitions or disposals of quoted securities for the current financial quarter and current financial period under review.

B8 Status of Corporate Proposals

There are no new corporate proposal for the current financial quarter and current financial period under review.

B9 Borrowings and Debt Securities

The Group's total debts as at 30 June 2026 which are denominated in Ringgit Malaysia are as follows:

	Unaudited as at 30/06/2026 RM'000	Audited as at 31/12/2025 RM'000
Short-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	66,827	66,370
Long-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	235,572	258,167
Total indebtedness	<u>302,399</u>	<u>324,537</u>

B10 Material Litigation

There were no material litigations pending as at 30 June 2026.

B11 Dividend

No dividend has been declared or proposed for the current financial quarter under review.

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B12 Earning Per Share ("EPS")

	Individual quarter		Cumulative period	
	Current year quarter 30/6/2026 RM'000	Preceding year quarter 30/6/2025 RM'000	Current year to-date 30/6/2026 RM'000	Preceding year to-date 30/6/2025 RM'000
BASIC EPS				
Profit for the period (RM'000)	7,354	5,752	13,433	11,764
Weighted average number of ordinary shares in issue ('000)	759,551	759,551	759,551	759,551
Basic EPS (sen)	0.97	0.76	1.77	1.55
DILUTED EPS				
Profit for the period (RM'000)	7,354	5,752	13,433	11,764
Weighted average number of ordinary shares in issue ('000)	759,551	759,551	759,551	759,551
Effect of dilution from:				
- Bonus Warrant	-	379,641	-	379,641
Weighted average number of ordinary shares for basic earning per share (unit)	<u>759,551</u>	<u>1,139,192</u>	<u>759,551</u>	<u>1,139,192</u>

* Diluted earnings per share for the financial period ended 30 June 2026 is not presented as there were no potential ordinary shares as the share options and share grants have lapsed.

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B13 Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax has been arrived at after crediting/(charging):

	Individual quarter		Cumulative quarter	
	Current year quarter 30/06/2026 RM'000	Preceding year quarter 30/06/2025 RM'000	Current year to-date 30/06/2026 RM'000	Preceding year to-date 30/06/2025 RM'000
Interest income	976	881	1,560	1,403
Other income:				
Miscellaneous	276	(2,987)	273	(2,969)
Interest expense	(5,276)	(6,425)	(10,454)	(12,944)
Depreciation of property, plant and equipment	(364)	(525)	(1,308)	(1,050)
Amortisation of intangible assets	(372)	(302)	(608)	(606)
Reversal/(Impairment) loss on:				
- Trade receivables	-	-	-	-
Employee benefits expense	(12,919)	(13,881)	(25,048)	(24,066)
Rental of premises	(209)	(71)	(275)	(116)
Rental of office equipment	(15,614)	(1,346)	(21,383)	(1,411)

B14 Status of Utilisation of Proceeds

There were no proceeds raised from any private placement during the current financial quarter and financial period under review.

B15 Derivatives

The Group did not enter into any derivatives during the current period under review.

B16 Disclosure of Gain/Losses from Fair Value Changes of Financial Liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the current period under review.

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