

Condensed consolidated statement of financial position
As At 31 March 2025

	At 31 March 2025 RM'000 (Unaudited)	At 31 March 2024 RM'000 (Audited)
Assets		
Property, plant and equipment	9,597	11,121
Investment properties	118,775	115,299
Inventories	960	960
Investment in associates	1,661	1,902
Investment in joint ventures	-	260
Deferred tax assets	17	17
Trade and other receivables	22,446	22,446
Total non-current assets	153,456	152,005
Inventories	1,462	3,141
Trade and other receivables	184,384	229,367
Contract assets	60,941	44,491
Tax recoverable	239	210
Cash and cash equivalents	4,335	1,700
	251,361	278,909
Assets classified as held for sales	-	14,628
Total current assets	251,361	293,537
Total assets	404,817	445,542
Equity		
Share capital	122,338	122,338
Translation reserve	7	7
Retained earnings	116,710	106,185
Total equity attributable to owners of the Company	239,055	228,530
Liabilities		
Borrowings	551	844
Deferred tax liabilities	398	435
Total non-current liabilities	949	1,279
Trade and other payables	121,563	152,774
Borrowings	42,813	59,459
Current tax payable	437	3,500
Total current liabilities	164,813	215,733
Total liabilities	165,762	217,012
Total equity and liabilities	404,817	445,542
Net assets per share (RM)	2.3991	2.2934

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

Condensed consolidated statement of profit or loss and other comprehensive income
 For the financial year ended 31 March 2025

	Current 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	28,544	48,397	80,484	148,804
Cost of sales	(20,346)	(36,974)	(67,997)	(125,962)
Gross profit	8,198	11,423	12,487	22,842
Other income	(49)	295	14,587	11,090
Administrative and other operating expenses	(2,535)	(2,932)	(11,292)	(12,830)
Net loss on impairment of financial instruments and contract assets	(339)	(3,538)	(606)	(3,907)
Results from operating activities	5,275	5,248	15,176	17,195
Interest income	56	29	263	245
Interest expense	(778)	(1,077)	(3,276)	(3,921)
Net interest expense	(722)	(1,048)	(3,013)	(3,676)
Share of (loss)/profit of equity-accounted investment, net of tax	(50)	(38)	(245)	106
Net profit before tax	4,503	4,162	11,918	13,625
Taxation	(737)	(2,597)	(1,393)	(4,441)
Net profit after tax	3,766	1,565	10,525	9,184
Profit per share attributable to ordinary shareholders				
EPS - Basic (sen)	3.78	1.57	10.56	9.22
EPS - Diluted (sen)	N/A	N/A	N/A	N/A

(The 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 March 2024 and the accompanying explanatory notes attached to the interim financial statements.)



Condensed consolidated statement of changes in equity

For the financial year ended 31 March 2025

	Attributable to owners of the Company			Total RM'000
	Non-distributable Share capital RM'000	Translation Reserve RM'000	Distributable Retained profits RM'000	
At 1 April 2024 (Audited)	122,338	7	106,185	228,530
Total comprehensive profit for the year	-	-	10,525	10,525
At 31 March 2025 (Unaudited)	<u>122,338</u>	<u>7</u>	<u>116,710</u>	<u>239,055</u>
At 1 April 2023 (Audited)	122,338	7	97,001	219,346
Total comprehensive profit for the year	-	-	9,184	9,184
At 31 March 2024 (Audited)	<u>122,338</u>	<u>7</u>	<u>106,185</u>	<u>228,530</u>

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

Condensed consolidated statement of cash flows
For the financial year ended 31 March 2025

	Current year to date	
	31 March 2025 RM'000 (unaudited)	31 March 2024 RM'000 (audited)
Cash flows from operating activities		
Profit before tax	11,918	13,625
Adjustments for:		
Depreciation of property, plant and equipment	1,977	2,440
Depreciation of investment property	829	865
Net loss on impairment of financial instrument and contract assets	606	3,907
Gain on disposal of property, plant and equipment	(1,732)	(585)
Gain on disposal of investment properties	(12,033)	(9,873)
Impairment loss on investment properties	2,027	-
Reversal of impairment loss on property, plant and equipment	-	(143)
Property, plant and equipment written off	-	1
Share of loss/(profit) of equity-accounted investments, net of tax	245	(106)
Interest expense	3,276	3,921
Interest income	(263)	(245)
Operating profit before changes in working capital	6,850	13,807
Changes in working capital:		
Inventories	1,679	2,074
Receivables, deposits and prepayments	27,926	(32,198)
Payables and accruals	(31,212)	(11,298)
Cash from/(used in) operations	5,243	(27,615)
Income taxes paid	(4,522)	(1,762)
Interest paid	(3,226)	(3,815)
Interest received	263	245
Net cash used in operating activities	(2,242)	(32,947)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(367)	(174)
Acquisition of investment properties	(6,660)	(5)
Dividend received from joint venture company	-	663
Return of capital from joint venture company	255	-
Sales proceeds from disposal of plant and equipment	2,001	728
Sales proceeds from disposal of investment property	26,661	13,353
Net cash from investing activities	21,890	14,565
Cash flows from financing activities		
Interest paid	(50)	(106)
Net proceeds from borrowings	(15,953)	5,413
Repayment of finance lease liabilities	(1,010)	(1,844)
Net cash (used in)/from financing activities	(17,013)	3,463
Net increase/(decrease) in cash and cash equivalents	2,635	(14,919)
Cash and cash equivalents at beginning of financial year	1,700	16,619
Cash and cash equivalents at end of financial year	4,335	1,700
 Cash & bank balance	 4,335	 1,700
	<u>4,335</u>	<u>1,700</u>

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

Notes to the interim financial report – 31 March 2025

A1 Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting in Malaysia, IAS 34: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.

A2 Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year ended 31 March 2024 except for the following:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

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

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the abovementioned accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

A3 Auditors’ report

There was no qualification on the audited financial statements for the financial year ended 31 March 2024.

A4 Seasonal or cyclical factors

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

A5 Unusual items due to their nature, size or incidence

There were no unusual items for the year ended 31 March 2025.

A6 Changes in estimates

Not applicable.

A7 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and year ended 31 March 2025.

A8 Dividends paid

No dividend was paid for the current quarter and year ended 31 March 2025.

A9 Segmental information

Segmental information is presented in respect of the Group's business segment. Inter-segment pricing is determined based on negotiated terms.

Current quarter ("4Q 2025") against preceding year corresponding quarter ("4Q 2024")

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 March 2025 Revenue	31 March 2024 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	6,900	9,603	(2,703)	(28.1)
Property development	-	-	-	-
Construction	22,586	39,899	(17,313)	(43.4)
Investment property	430	690	(260)	(37.7)
Other services	174	263	(89)	(33.8)
	30,090	50,455	(20,365)	(40.4)
Inter-segment elimination	(1,546)	(2,058)	512	24.9
	28,544	48,397	(19,853)	(41.0)

A9 Segmental information (continued)
Current quarter ("4Q 2025") against preceding year corresponding quarter ("4Q 2024") (continued)

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 March 2025 Profit/(Loss) before tax	31 March 2024 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(1,860)	(1,147)	(713)	(62.2)
Property development	40	(392)	432	110.2
Construction	9,930	4,420	5,510	124.7
Investment property	(2,022)	(56)	(1,966)	NM
Other services	(452)	2,621	(3,073)	(117.2)
	5,636	5,446	190	3.5
Interest income	56	29	27	93.1
Interest expense	(778)	(1,077)	299	27.8
Share of loss of equity- accounted investments	(51)	(38)	(13)	(34.2)
Unallocated other expenses	(360)	(198)	(162)	(81.8)
	4,503	4,162	341	8.2

NM = Not Meaningful

Current year to date ("YTD 2025") against preceding year to date ("YTD 2024")

	12 months ended	12 months ended	Changes	
	31 March 2025 Revenue	31 March 2024 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	32,808	61,812	(29,004)	(46.9)
Property development	3,540	9,826	(6,286)	(64.0)
Construction	46,825	83,213	(36,388)	(43.7)
Investment Property	2,329	2,713	(384)	(14.2)
Other services	817	816	1	0.1
	86,319	158,380	(72,061)	(45.5)
Inter-segment elimination	(5,835)	(9,576)	3,741	39.1
	80,484	148,804	(68,320)	(45.9)

Current year to date (“YTD 2025”) against preceding year to date (“YTD 2024”) (continued)

	12 months ended	12 months ended	Changes	
	31 March 2025 Profit/(Loss) before tax	31 March 2024 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(4,496)	(1,308)	(3,188)	(243.7)
Property development	960	6,650	(5,690)	(85.6)
Construction	9,440	1,247	8,193	657.0
Investment Property	10,624	10,083	541	5.4
Other services	(6)	1,633	(1,639)	(100.4)
	16,522	18,305	(1,783)	(9.7)
Interest income	263	245	18	7.3
Interest expense	(3,276)	(3,921)	645	16.4
Share of (loss)/profit of equity-accounted investments	(246)	106	(352)	(332.1)
Unallocated other expenses	(1,345)	(1,110)	(235)	(21.2)
	11,918	13,625	(1,707)	(12.5)

A10 Valuation of property, plant and equipment

There was no amendment to the valuation of property & plant and equipment brought forward to the current quarter as compared with the previous year annual financial statements.

A11 Event subsequent to the balance sheet date

There was no material event subsequent to the balance sheet date except for the corporate proposals as disclosed in Note B6.

A12 Changes in composition of the Group

There was no change in the composition of the Group for the current quarter and year ended 31 March 2025.

A13 Changes in contingent liabilities

The Group has no contingent liabilities except for the following: -

As at 31 March 2025
RM'000

Guarantees and contingencies relating to the
 borrowings of subsidiaries (unsecured)

18,610

=====

A14 Significant Related Party Transactions

The Group has significant related party transactions with companies in which certain directors of the Company have interest, as follows: -

**12 months ended
31 March 2025
RM'000**

**With companies in which certain
Directors of the Company, have interests:**

Ekovest Berhad and its subsidiaries, jointly controlled and associate companies	6,739
PLS Plantations Berhad and its subsidiaries, jointly controlled and associate companies	5,469
	=====

B1 Detailed analysis of the performance of all operating segments of the Group in 4Q 2025

Current quarter ("4Q 2025") against preceding year corresponding quarter ("4Q 2024")

	Individual Period (4 th Quarter)		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%
	31 March 2025 RM'000	31 March 2024 RM'000	RM'000	
Revenue	28,544	48,397	(19,853)	(41.0)
Gross profit	8,198	11,423	(3,225)	(28.2)
Result from operating activities	5,275	5,248	27	0.5
Share of loss of equity- accounted investments, net of tax	(50)	(38)	(12)	(31.6)
Net profit before tax	4,503	4,162	341	8.2
Net profit after tax	3,766	1,565	2,201	140.6
Profit attributable to Owners of the Company	3,766	1,565	2,201	140.6

In 4Q 2025, the Group recorded lower revenue of RM28.544 million, a 41.0% decrease from RM48.397 million in 4Q 2024, mainly due to lower contributions from the construction and trading sectors. Despite the decline in revenue, the Group reported a higher profit before tax of RM4.503 million in 4Q 2025, compared to RM4.162 million in 4Q 2024. The improved profit was mainly attributable to the finalisation of certain project accounts with clients and the re-calibration of profit margins for projects nearing completion in 4Q 2025.

The performance of the respective operating business sector for the 4Q 2025 under review as compared to the 4Q 2024 are analysed as follows:

B1 Detailed analysis of the performance of all operating segments of the Group in 4Q 2025 (continued)

Current quarter (“4Q 2025”) against preceding year corresponding quarter (“4Q 2024”) (continued)

Trading

The sector reported revenue of RM6.900 million in 4Q 2025, a 28.1% decrease from RM9.603 million in 4Q 2024, primarily due to lower demand for building materials following the completion of several major projects by key customers.

The sector recorded a higher loss before tax of RM1.860 million in 4Q 2025, compared to a loss before tax of RM1.147 million in 4Q 2024. The increase in loss was mainly attributable to a higher net impairment loss on receivables amounting to RM1.744 million in 4Q 2025 (4Q 2024:RM0.963 million).

Property development

No revenue was recorded in 4Q 2025 and 4Q 2024. However, the sector reported a profit before tax of RM0.040 million in 4Q 2025, compared to a loss before tax of RM0.392 million in 4Q 2024. The improvement was mainly due to the reversal of over-accrued overhead cost in 4Q 2025.

Construction

The construction sector reported lower revenue of RM22.586 million in 4Q 2025, compared to RM39.899 million in 4Q 2024, mainly due to a lower percentage of work done for its ongoing projects. Despite the decline in revenue, the sector recorded a higher profit before tax of RM9.930 million in 4Q 2025, compared to RM4.420 million in 4Q 2024. This improvement was mainly due to the finalisation of certain project accounts with clients and the re-calibration of profit margins for projects nearing completion, which contributed to improved financial results. Additionally, the results for 4Q 2025 were positively impacted by a net impairment gain on receivables of RM1.734 million, compared to a net impairment loss of RM5.596 million in 4Q 2024.

Investment property

The sector recorded lower revenue of RM0.430 million in 4Q 2025, compared to RM0.690 million in 4Q 2024, mainly due to termination of tenancy for an investment property. The sector reported a higher loss before tax of RM2.022 million in 4Q 2025, compared to a loss before tax of RM0.056 million in 4Q 2024, mainly due to a net impairment loss of RM2.027 million (4Q 2024:Nil) on investment properties recognised during the 4Q 2025.

Other services

The sector recorded lower revenue of RM0.174 million in 4Q 2025, compared to RM0.263 million in 4Q 2024, mainly due to lower income contributions from landscape maintenance work. The sector reported a loss before tax of RM0.452 million in 4Q 2025, compared to a profit before tax of RM2.621 million in 4Q 2024, mainly due to a significant lower net impairment gain on receivables of RM0.170 million in 4Q 2025, versus a higher net impairment gain of RM2.716 million in 4Q 2024.

Current year to date (“YTD 2025”) against preceding year corresponding year (“YTD 2024”)

	Individual Period (4 th Quarter)		Changes	
	Current Year To-Date	Preceding Year Corresponding Period	Amount	%
	31 March 2025 RM'000	31 March 2024 RM'000	RM'000	
Revenue	80,484	148,804	(68,320)	(45.9)
Gross profit	12,487	22,842	(10,355)	(45.3)
Result from operating activities	15,176	17,195	(2,019)	(11.7)
Share of (loss)/profit of equity-accounted investments, net of tax	(245)	106	(351)	(331.1)
Profit before tax	11,918	13,625	(1,707)	(12.5)
Profit after tax	10,525	9,184	1,341	14.6
Profit attributable to Owners of the Company	10,525	9,184	1,341	14.6

For the YTD 2025, the Group recorded revenue of RM80.484 million, a decrease of RM68.320 million or 45.9% from RM148.804 million in YTD 2024, mainly due to lower contributions from the trading and construction sectors.

Profit before tax declined to RM11.918 million in YTD 2025, compared to RM13.625 million in YTD 2024, mainly due to lower sales volume. The impact, however, was partially mitigated by a one-off gain of RM12.033 million (YTD 2024:RM9.873 million) from the disposal of an investment property.

The performance of the respective operating business segments for the YTD 2025 under review as compared to the YTD 2024 are analysed as follow:

Trading

The trading sector reported lower revenue of RM32.808 million in YTD 2025, compared to RM61.812 million in YTD 2024, mainly due to reduced demand for building materials following the completion of several major projects by key customers.

The sector recorded a higher loss before tax of RM4.496 million in YTD 2025, compared to a loss before tax of RM1.308 million in the YTD 2024. The increase in loss was mainly attributable to the decline in sales, a higher net impairment loss on receivables amounting to RM2.107 million in YTD 2025 (YTD 2024: RM1.231 million), as well as a provision of RM0.590 million for additional project completion costs that could not be recovered from the client.

Property development

The property development sector recorded lower revenue of RM3.540 million in YTD 2025, compared to RM9.826 million in YTD 2024, mainly due to the absence of a one-off disposal of a piece of freehold vacant commercial land, which contributed RM8.08 million in revenue in YTD 2024 and carried a higher profit margin due to its low carrying value. Accordingly, the sector reported a lower profit before tax of RM0.960 million in YTD 2025, compared to RM6.650 million in YTD 2024.

Current year to date (“YTD 2025”) against preceding year corresponding year (“YTD 2024”) (continued)

Construction

The construction sector registered lower revenue of RM46.825 million in YTD 2025, compared to RM83.213 million in YTD 2024, mainly due to a lower percentage of work done for ongoing projects. Despite the decline in revenue, the sector recorded a higher profit before tax of RM9.440 million in YTD 2025, compared to a profit before tax of RM1.247 million in YTD 2024. The improvement was mainly due to the finalisation of certain project accounts with clients and the re-calibration of profit margins for projects nearing completion. Additionally, the results in YTD 2025 were favourably impacted by a net impairment gain on receivables of RM1.734 million, compared to a net impairment loss of RM5.596 million in YTD 2024.

Investment property

The investment property sector reported a decrease in revenue to RM2.329 million in YTD 2025, compared to RM2.713 million in YTD 2024, mainly due to termination of tenancy for an investment property. Despite the lower revenue, the sector recorded a higher profit before tax of RM10.624 million in YTD 2025, up from RM10.083 million in YTD 2024. The improved performance was mainly due to a one-off gain of RM12.033 million from the disposal of an investment property in YTD 2025, (YTD 2024: gain of RM9.873 million), partially offset by a net impairment loss of RM2.027 million (YTD 2024: Nil) on investment properties recognised in YTD 2025.

Other services

The revenue for YTD 2025 is comparable to YTD 2024, at RM0.817 million versus RM0.816 million. The sector recorded a loss before tax of RM0.006 million in YTD 2025, compared to a profit before tax of RM1.633 million in YTD 2024, mainly due to a significantly lower net impairment gain on receivables of RM0.164 million (YTD 2024: RM2.616 million). However, the loss was partially mitigated by a higher one-off gain from the disposal of plant and equipment amounting to RM1.220 million (YTD 2024: RM0.442 million).

Current quarter (“4Q 2025”) against immediate preceding quarter (“3Q 2025”)

	Current Quarter	Immediate Preceding Quarter	Changes	
	31 March 2025	31 December 2024	Amount	%
	RM'000	RM'000	RM'000	
Revenue	28,544	24,250	4,294	17.7
Gross profit	8,198	1,547	6,651	429.9
Result from operating activities	5,275	10,817	(5,542)	(51.2)
Share of loss of equity-accounted investments, net of tax	(50)	-	(50)	(100.0)
Net profit before tax	4,503	10,218	(5,715)	(55.9)
Net profit after tax	3,766	10,222	(6,456)	(63.2)
Profit attributable to Owners of the Company	3,766	10,222	(6,456)	(63.2)

B2 Comparison with preceding quarter results (continued)

	Current Quarter	Immediate Preceding Quarter	Changes	
	31 March 2025	31 December 2024		
	Revenue	Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	6,900	9,043	(2,143)	(23.7)
Property development	-	994	(994)	(100.0)
Construction	22,586	15,240	7,346	48.2
Investment property	430	503	(73)	(14.5)
Other services	174	199	(25)	(12.6)
	30,090	25,979	4,111	15.8
Inter-segment elimination	(1,546)	(1,729)	183	10.6
	28,544	24,250	4,294	17.7

	Current Quarter	Immediate Preceding Quarter	Changes	
	31 March 2025	31 December 2024		
	Profit/(Loss) before tax	Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(1,860)	(559)	(1,301)	(232.7)
Property development	40	294	(254)	(86.4)
Construction	9,930	(684)	10,614	NM
Investment property	(2,022)	12,090	(14,112)	(116.7)
Other services	(452)	(259)	(193)	(74.5)
	5,636	10,882	(5,246)	(48.2)
Interest income	56	95	(39)	(41.1)
Interest expense	(778)	(694)	(84)	(12.1)
Share of loss of equity- accounted investments, net of tax	(51)	-	(51)	(100.0)
Unallocated other expenses	(360)	(65)	(295)	(453.8)
	4,503	10,218	(5,715)	(55.9)

The Group reported a revenue of RM28.544 million in 4Q 2025, an increase from RM24.250 million in 3Q 2025, primarily due to higher contributions from the construction sector. However, profit before tax declined to RM4.503 million in 4Q 2025 from RM10.218 million in 3Q 2025, mainly due to the absence of a one-off gain of RM12.033 million from the disposal of an investment property in 3Q 2025. Excluding the one-off gain item, the Group performance in 4Q 2025 improved, mainly due to the finalisation of certain project accounts with clients and the re-calibration of profit margins for projects nearing completion, which contributed positively to the profitability in 4Q 2025.

B3 Prospects

Malaysia's Budget 2025 allocates RM335 billion for operating expenditures and RM86 billion for development expenditures. A significant portion of the development allocation is directed towards transportation infrastructure, including highways, ports, and rail projects. These allocations offer potential opportunity for growth, particularly in public sector-led developments.

However, Malaysia's economic outlook for 2025/2026 is expected to be shaped by developments in global trade, particularly the reciprocal tariffs introduced by the United States. These trade tensions continue to disrupt global supply chains and contribute to broader market volatility and the long-term effects of these tariffs remain unclear.

The Board anticipates that the economic outlook will remain challenging in the near term, amid ongoing inflationary pressures, rising material and labour costs, the potential introduction of a carbon tax, and the rationalisation of government subsidies. These factors are expected to further pressure on the construction and property sectors.

To mitigate these risks, the Group has adopted a highly selective tendering strategy, focusing on projects with sufficient profit margins to cushion the impact of cost escalations and support operational sustainability. The Group remains committed to its core business segments-namely building materials trading, civil construction, and building works, while actively exploring viable opportunities to replenish its order book and maintain business continuity.

Given the abovementioned soft market and economic outlook, the Board anticipates that the financial performance of the construction and trading sectors for the financial year ending on 31 March 2026, may be adversely impacted.

B4 Variance of actual profit from forecast profit / profit guarantee

Not applicable.

B5 Taxation

	Current quarter ended 31 March 2025 RM '000	12 months ended 31 March 2025 RM '000
Income tax		
Current tax	737	1,430
Deferred tax	-	(37)
	<u>737</u>	<u>1,393</u>

The Group's effective tax rate for the financial year ended 31 March 2025 was higher than the statutory income tax rate mainly due to the losses incurred by certain subsidiaries and disallowable expenses.

B6 Status of corporate proposals

- 1) On 27 September 2023 whereby the Company had on even date received a letter dated 27 September 2023 (“Proposal Letter”) from Tan Sri Dato’ Lim Kang Hoo (“TSDLKH”), a major shareholder of the Company and the Group Executive Chairman and a major shareholder of Ekovest Berhad (“Ekovest”), requesting the Company to consider participating in a reorganisation, rationalisation and merger proposal comprising, amongst others, the proposed merger of the construction and construction-related businesses of Ekovest and Knusford through the acquisition of the entire issued share capital of Ekovest Construction Sdn Bhd (“ECSB”) (i.e. a wholly-owned subsidiary of Ekovest, being the existing construction arm of Ekovest) by Knusford (“Proposed Knusford-ECSB Merger”).

Following thereto, the Board of Directors of Knusford (“Board”) wishes to announce that the Company had on 27 October 2023 entered into a binding heads of merger agreement (“HOA”) with Ekovest to exclusively explore and negotiate further on the Proposed Knusford-ECSB Merger via the proposed acquisition by Knusford of the entire equity interest in ECSB from Ekovest for an indicative purchase consideration of RM450 million (“Purchase Consideration”), which was arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of ECSB as at 30 June 2023.

The Parties shall use their best endeavours and efforts to negotiate in good faith and execute the Definitive Agreement within four (4) months following the date of the HOA, with an automatic extension of three (3) months upon the expiry of such four (4) months period, or such further extended date as the Parties may mutually agree upon (“Expiry Date”).

On 27 May 2024, the Parties have mutually agreed to extend the HOA to 27 July 2024.

On 26 July 2024, the Parties have mutually agreed for a further extension of 6 months from 28 July 2024 to 27 January 2025.

On 27 January 2025, the Parties have mutually agreed for a final extension of 6 months from 28 January 2025 to 27 July 2025, to grant more time for the Parties to assess, evaluate and deliberate the Proposed Knusford-ECSB Merger.

For details, please refer to the announcement dated 29 September 2023, 27 October 2023, 27 May 2024, 26 July 2024 and 27 January 2025 respectively.

- 2) The Company had on 27 March 2024, entered into a conditional sale and purchase agreement (“SPA”) with Emerald Plan Sdn. Bhd. to dispose a freehold land together with the buildings erected thereon held under HSD 51799, PT 43447, Mukim and District of Klang, Selangor with a provisional land area of 25,625.48 square metres (approximately 275,832 square feet) bearing postal address of No. 8, Jalan Kecapi 33/2, Taman Perindustrian Elite, Seksyen 33, 40350 Shah Alam, Selangor Darul Ehsan for a cash consideration of RM28.0 million.

At the Extraordinary General Meeting (“EGM”) held on 28 June 2024, the shareholders of the Company had approved the proposed disposal.

The disposal was completed on 23 October 2024.

For details, please refer to the announcement dated 27 March 2024, 7 June 2024, 28 June 2024 and 23 October 2024.

B6 Status of corporate proposals (continue)

The status of utilisation of proceeds raised from the proposed disposal as at 31 March 2025 are as follows:

Purpose	Gross Proceeds (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended timeframe for utilisation
Repayment of bank borrowings	12,207	12,207	-	Within 3 months
Working capital	14,143	14,143	-	Within 12 months
Estimated expenses in relation to the proposed disposal	1,650	1,650	-	Within 6 months
	28,000	28,000	-	

B7 Group borrowings

	As at 31 March 2025		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
Secured			
Hire purchase liabilities	538	236	774
Lease liabilities	13	18	31
Revolving credits	-	11,500	11,500
Banker acceptance	-	6,059	6,059
Unsecured			
Revolving credits	-	25,000	25,000
	551	42,813	43,364

	As at 31 March 2024		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
Secured			
Hire purchase liabilities	829	936	1,765
Lease liabilities	15	11	26
Revolving credits	-	23,707	23,707
Banker acceptance	-	9,805	9,805
Unsecured			
Revolving credits	-	25,000	25,000
	844	59,459	60,303

The borrowing is mainly for the purpose of working capital requirement.

B8 Changes in material litigation

Save as disclosed below, there is no material litigation pending from 31 March 2024 (being the date of the last annual statement of financial position) to 23 May 2025 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board 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.

1) **Material Litigation Amended Writ and Statement of Claim against Radiant Seas Sdn Bhd (Johor Bahru High Court Civil Suit No.: JA-22NCVC-149-11/2020)**

On 23 January 2025, the Company wholly-owned subsidiary, Radiant Seas Sdn Bhd (“**RSSB**”), has been named as the fourth party in a court proceeding filed by Tenaga Nasional Berhad (“**the Plaintiff**”) dated 3 November 2020. On 16 December 2021, the Plaintiff served an Amended Writ and Statement of Claim against Tebrau Bay Constructions Sdn Bhd (“**TBCSB**”), Iskandar Waterfront City Berhad (“**IWCB**”) and Tebrau Bay Sdn Bhd. Subsequently, Tebrau Bay Constructions Sdn Bhd initiated Third-Party proceedings against Pembinaan Hamid Abd Rahman Sdn Bhd (“**PHSB**”) as the sub-contractor. Following this, PHSB initiated Fourth-Party proceedings against RSSB as its sub-contractor, with the notice served on 22 January 2025.

Date of presentation of the Amended Writ and Statement of Claim

The Amended Writ and Statement of Claim, both dated 15 December 2021, were served on RSSB at its business office on 22 January 2025.

Particulars of the claims under the Amended Writ and Statement of Claim

Parties involved:

Plaintiff: Tenaga Nasional Berhad

Defendants:

1. Tebrau Bay Constructions Sdn Bhd (“**1st Defendant**”)
2. Iskandar Waterfront City Berhad
3. Tebrau Bay Sdn Bhd
- Third Party: Pembinaan Hamid Abd Rahman Sdn Bhd (PHSB)
- Fourth Party: Radiant Seas Sdn Bhd (RSSB)

Nature of Claim:

The Plaintiff has filed a claim against the Defendants pursuant to the Civil Suit No.: JA-22NCVC-149-11/2020 (“**the Plaintiff’s Claim**”) for *inter alia* injunctions, damages for the sum of RM76,564,759.77, general damages, aggravated and exemplary damages, interest and costs. The 1st Defendant has brought Third-Party proceedings against the Third Party, and claimed for indemnity or contribution from the Third Party in the event that the 1st Defendant is found liable to the Plaintiff’s Claim.

The Third Party, subsequently initiated another Fourth-Party proceeding against RSSB for a claim of indemnity or contribution from RSSB in the event that the Third Party is found liable to 1st Defendant’s Third-Party claim.

Details of the circumstances leading to the filing of the Amended Writ and Statement of Claim against RSSB

The circumstances leading to the filing of the Amended Writ of Summon and Statement of Claim against the Defendants are in respect of reclamation works carried out on Lot PTD 121257, Kampung Senibong where the Senibong Switching Station and the rentice / wayleave of the Submarine Cable Project is located.

B8 Changes in material litigation (continue)

The Plaintiff's claim ground upon:

1. Alleged Encroachment and Continuing Trespass around October 2013 on the Pylon Tower 31-35 (formerly known as Pylon Tower 54-58) placed on the right-of-way/easement of the Submarine Cable Project;
2. Alleged Encroachment and Continuing Trespass on the Submarine cable 230 KV PLTG – WAV8 No. 1 and causing damage to the Submarine Cable on 5 November 2014;
3. Alleged Negligence; and
4. Alleged liability by reason of vicarious liability.

Financial and Operational Impact

The Group believes it has reasonable grounds to defend against the allegations, as the submarine cables in question were laid outside of the Plaintiff's designated Right-Of-Way (ROW). Furthermore, the Plaintiff has not provided sufficient specificity regarding the alleged location of the damage to the Submarine Cable, which is a material element of their claim.

Additionally, the works in question were subcontracted to a duly licensed ultimate subcontractor, which held the necessary permits to conduct the reclamation activities. The Group maintains that it should not be held liable for any alleged negligence on the part of the independent ultimate subcontractor, as it exercised due diligence in the engagement process.

Current status

Following the case management on 24 April 2025, and in the absence of a newly appointed judge for the matter, the case has been fixed for a further case management on 16 July 2025.

The Company will make further announcement(s) if there is any material development of the above matter in due course.

For details, please refer to the announcement dated 23 January 2025 and 28 April 2025.

B9 Dividends declared

No interim dividend has been declared for the current quarter and year ended 31 March 2025.

B10 Profit per share

	Current quarter ended 31 March 2025	Preceding year corresponding quarter ended 31 March 2024	Cumulative 12 months ended 31 March 2025	Cumulative 12 months ended 31 March 2024
Profit for the period attributable to owners of the Parent (RM'000)	3,766	1,565	10,525	9,184
Weighted average number of ordinary shares in issue ('000)	99,645	99,645	99,645	99,645
Basic earnings per share (sen)	3.78	1.57	10.56	9.22
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

B11 Notes to the statement of profit or loss and other comprehensive income

	Current quarter ended 31 March 2025 RM'000	Cumulative 12 months ended 31 March 2025 RM'000
Profit before tax is arrived at after (crediting)/charging:		
Interest income	(56)	(263)
Other income including investment income	49	(822)
Interest expense	778	3,276
Depreciation and amortisation	708	2,806
Net impairment loss on receivables	339	606
Impairment of investment properties	2,027	2,027
Gain on disposal of property, plant and equipment	-	(1,732)
Gain on disposal of investment properties	-	(12,033)

B12 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy levels have not been presented for these instruments.

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liabilities, either directly or indirectly.

Level 3 – Inputs for the financial asset or liabilities that are not based on observable market data.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
31 March 2025					
Financial liabilities					
Hire-purchase liabilities	-	-	806	806	774
31 March 2024					
Financial liabilities					
Hire-purchase liabilities	-	-	1,874	1,874	1,765