

JBB BUILDERS INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1903



2025 **INTERIM REPORT**



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dato' Ng Say Piyu (*Chairman*)
Mr. Lam Fung Eng
Mr. Ng Chong Boon

Non-executive Director

Datin Ngooi Leng Swee

Independent non-executive Directors

Mr. Tai Lam Shin
Mr. Chan Tsun Choi, Arnold
Ms. Chan Pui Kwan

AUDIT COMMITTEE

Mr. Tai Lam Shin (*Chairman*)
Mr. Chan Tsun Choi, Arnold
Ms. Chan Pui Kwan

REMUNERATION COMMITTEE

Mr. Tai Lam Shin (*Chairman*)
Dato' Ng Say Piyu
Ms. Chan Pui Kwan

NOMINATION COMMITTEE

Dato' Ng Say Piyu (*Chairman*)
Mr. Tai Lam Shin
Mr. Chan Tsun Choi, Arnold
Ms. Chan Pui Kwan

COMPANY SECRETARY

Ms. Lam Lam

AUTHORISED REPRESENTATIVES (FOR THE PURPOSE OF THE LISTING RULES)

Mr. Lam Fung Eng
Ms. Lam Lam

AUTHORISED REPRESENTATIVE (FOR THE PURPOSE OF THE COMPANIES ORDINANCE)

Ms. Lam Lam

AUDITOR

Crowe Malaysia PLT

E-2-3 Pusat Komersial Bayu Tasek
Persiaran Southkey 1, Kota Southkey
80150 Johor Bahru, Johor, Malaysia

LEGAL ADVISORS AS TO HONG KONG LAW

Ma Tang & Co.

Rooms 1508-1513, Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

PRINCIPAL BANKERS

DBS Bank (HK) Limited

16/F The Center
99 Queen's Road Central
Hong Kong

Bank of Communications Co., Ltd., Hong Kong Branch

20/F, Henley Building
5 Queen's Road Central
Central
Hong Kong

Corporate Information

Affin Bank Berhad

17th Floor, Menara Affin
80, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

AmBank Islamic Berhad

Level 31, Metropolis Tower
Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Malaysia

Maybank Islamic Berhad

Level 8, Office Tower
Johor Bahru City Square
No. 108, Jalan Wong Ah Fook
80000 Johor Bahru
Malaysia

Citibank N. A.

5 Changi Business Park Crescent
Singapore 486027

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS IN MALAYSIA

No. 20-01, Jalan Sri Perkasa 2/18
Taman Tampoi Utama
81200 Johor Bahru
Malaysia

PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

18 Howard Road
#08-07 Novelty Bizcentre
Singapore

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1762, 17th Floor
Luk Kwok Centre
72 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK NAME/CODE

JBB BUILDERS/1903

COMPANY'S WEBSITE

www.jbb.com.my

Management Discussion and Analysis

The board (the “**Board**”) of directors (the “**Directors**”) of JBB Builders International Limited (the “**Company**”) is pleased to present the interim report of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2025 together with the comparative figures for the six months ended 31 December 2024.

BUSINESS REVIEW

The Group is an established engineering contractor which engaged in two major types of services:

- Marine construction services – core business, which can be categorised into:
 - (a) reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion; and
 - (b) marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.
- Building and infrastructure services – the services include general building works in construction of properties and infrastructure works.

In November 2025, a joint venture and shareholders’ agreement is entered into between JBB Builders (M) Sdn. Bhd. (a wholly-owned subsidiary of the Company) and Samaiden Sdn. Bhd. (a wholly-owned subsidiary of Samaiden Group Berhad which is a company listed on Bursa Malaysia Securities Berhad (stock code: 0223)) for the formation of Legasi Suria Selatan Sdn. Bhd.. Legasi Suria Selatan Sdn. Bhd. is established as a special purpose vehicle, being held by JBB Builders (M) Sdn. Bhd. and Samaiden Sdn. Bhd. in shareholding proportions of 30% and 70%, respectively for the implementation of the development of a large-scale solar photovoltaic plant of 99.99MWac in Segamat, Johor, Malaysia (the “**Plant**”) (the “**Project**”). In December 2025, a power purchase agreement with a term of 21-year is entered into between Legasi Suria Selatan Sdn. Bhd. and Tenaga Nasional Berhad for the supply of solar power generated by the Plant. This represents a strategic expansion beyond traditional marine construction works into renewable energy infrastructure, leveraging engineering expertise in large-scale projects. At the same time, the Group focused on the existing construction contracts.

As at 31 December 2025, the Group had 3 ongoing marine construction contracts comprising a reclamation and related works contract and 2 marine transportation contracts with original contract sum in aggregate of approximately RM1,312.1 million (including estimated original contract sum of contracts which stated at unit rates at time of award), and 3 ongoing building and infrastructure contracts with original contract sum in aggregate of approximately 152.4 million (excluding the abovementioned Project).

As at 30 June 2025, there were a total of 2 tenders and 2 quotations with expected contract sum in aggregate of approximately RM522.4 million submitted and the results of the said tenders and quotations had not yet been released. As at 31 December 2025, there were 1 tender and 1 quotation with expected contract sum in aggregate of approximately RM242.5 million submitted but thus far no results has been returned.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

Revenue decreased by approximately RM34.1 million or 15.2% from approximately RM223.8 million for the six months ended 31 December 2024 to approximately RM189.7 million for the six months ended 31 December 2025. The significant decrease in revenue for the six months ended 31 December 2025 was primarily due to (i) the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore as one of the site areas is relatively shallow and highly space-constrained, causing operational challenges, which has led to a reduction in delivery; (ii) the decrease in the revenue generated from reclamation and related works due to slowdown of the progress of a reclamation and related works contract; and (iii) completion of certain contracts which contributed to a certain portion of revenue for the six months ended 31 December 2024, while partially offsetting by the increase in volume of work performed for a contract generated from building and infrastructure works.

Marine construction services

Revenue from marine construction services represented approximately 78.8% of the total revenue for the six months ended 31 December 2025. It decreased by approximately RM53.7 million or 26.4% from approximately RM203.3 million for the six months ended 31 December 2024 to approximately RM149.6 million for the six months ended 31 December 2025.

Revenue from reclamation and related works, which represented approximately 24.5% of the total revenue from marine construction services for the six months ended 31 December 2025, decreased by approximately RM28.2 million or 43.5% from approximately RM64.8 million for the six months ended 31 December 2024 to approximately RM36.6 million for the six months ended 31 December 2025. Such decrease was mainly due to slowdown of the progress of a reclamation and related works contract, and the completion of certain contracts which contributed to a certain portion of revenue for the six months ended 31 December 2024.

Revenue from marine transportation, which represented approximately 75.5% of the total revenue from marine construction services for the six months ended 31 December 2025, decreased by approximately RM25.5 million or 18.4% from approximately RM138.5 million for the six months ended 31 December 2024 to approximately RM113.0 million for the six months ended 31 December 2025. Such decrease was mainly due to the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore for the six months ended 31 December 2025 as one of the site areas is relatively shallow and highly space-constrained, causing operational challenges, which has led to a reduction in delivery.

Building and infrastructure services

Revenue from building and infrastructure services represented approximately 21.2% of the total revenue for the six months ended 31 December 2025. Revenue from building and infrastructure services increased by approximately RM19.6 million or 95.6% from approximately RM20.5 million for the six months ended 31 December 2024 to approximately RM40.1 million for the six months ended 31 December 2025. Such increase was mainly due to the increase in volume of work performed for a contract generated from building and infrastructure works.

Management Discussion and Analysis

Gross profit and gross profit margin

Gross profit decreased by approximately RM1.6 million or 20.0% from approximately RM8.0 million for the six months ended 31 December 2024 to approximately RM6.4 million for the six months ended 31 December 2025. The gross profit margin decreased from approximately 3.6% for the six months ended 31 December 2024 to approximately 3.4% for the six months ended 31 December 2025.

The decrement of gross profit was primarily caused by the decrease in revenue as abovementioned and the increase of subcontracting cost for the six months ended 31 December 2025.

Other revenue

The other revenue decreased from approximately RM3.3 million for the six months ended 31 December 2024 to approximately RM2.1 million for the six months ended 31 December 2025, which was mainly due to (i) the decrease in income of arrangement of marine transportation related activities for our subcontractors and suppliers at the site areas for the six months ended 31 December 2025 arising from the decrease number of trips and unit rates; and (ii) the decrease in interest income on deposits placed in the Group's banks in Malaysia during the six months ended 31 December 2025 as a result of the decrease in fixed deposits placed in banks, while partially offsetting by the increase in interest income on trade receivables owing from a customer as such customer requests for instalment settlement of the contract awarded after construction works completed.

Other net income

Other net income was approximately RM1.5 million for the six months ended 31 December 2025. It mainly included (i) gain on disposal of deposits paid for acquisition of investment properties of approximately RM0.9 million, and (ii) the recognition of the foreign exchange gain of approximately RM0.6 million arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

Other net income was approximately RM0.6 million for the six months ended 31 December 2024. It mainly included (i) gain on disposal of Gabungan Jasapadu Sdn. Bhd. (a non-wholly owned subsidiary of the Group before disposal) of approximately RM572,000; (ii) gain on partial disposal of JBB Kimlun Sdn. Bhd. (a joint venture of the Group) of approximately RM11,000; and (iii) the recognition of the foreign exchange gain of approximately RM38,000 arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

Management Discussion and Analysis

Reversal/(allowance) for impairment loss on trade receivables and contract assets

Taking into account of the increase in balances of trade receivables and contract assets, and expected loss rate applied based on historical credit loss experience, adjusting factors that are specific to the debtors and assessment of both current and forecasted general economic conditions (including the consideration of the expected loss rate performed by an independent valuer), reversal for impairment loss of approximately RM64,000 was recognised for the six months ended 31 December 2025 while impairment loss of approximately RM0.9 million was recognised for the six months ended 31 December 2024. The reversal is mainly contributed from the reduction in the balances of trade receivables and contract assets.

General and administrative expenses

General and administrative expenses increased by approximately RM0.9 million or 10.8% from approximately RM8.3 million for the six months ended 31 December 2024 to approximately RM9.2 million for the six months ended 31 December 2025. Such increase was mainly due to the increase of bank charges arising from the bank guarantees obtained from the banks during the six months ended 31 December 2025, and the increase of commissions and stamp duty provided arising from the disposal of deposits paid for acquisition of investment properties.

Finance costs

Finance costs decreased from approximately RM0.4 million for the six months ended 31 December 2024 to approximately RM0.2 million for the six months ended 31 December 2025 which mainly due to the decrease of interest on bank loans arising from the reduction of balances of bank loans.

Income tax expenses

Income tax expenses of approximately RM0.6 million was recorded for the six months ended 31 December 2025 as compared with approximately RM0.8 million for the six months ended 31 December 2024. The decrease was mainly due to the decrement of taxable profit of a Singapore subsidiary for the six months ended 31 December 2025.

Profit for the period attributable to owners of the Company

Due to the abovementioned items, the Group reported profit attributable to owners of the Company of approximately RM0.1 million for the six months ended 31 December 2025 compared with approximately RM1.6 million for the six months ended 31 December 2024.

Management Discussion and Analysis

Dividends

Considering the financial results for the six months ended 31 December 2025, expected working capital requirements, and current and future business conditions and strategies, the Board does not recommend the payment of interim dividend for the six months ended 31 December 2025 (six months ended 31 December 2024: nil).

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources/Capital Structure

The Group finances its working capital requirements through a combination of cash generated from operations, shareholder's equity and banking facilities.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

As at 31 December 2025, the Group had cash and cash equivalents of approximately RM62.6 million (30 June 2025: RM71.5 million), fixed deposits with maturity over three months of approximately RM0.4 million (30 June 2025: RM5.7 million) and pledged bank deposits of approximately RM16.6 million (30 June 2025: RM9.2 million). The decrement was mainly due to the net operating and financing activities cash outflows, net investing activities cash inflows and effect of foreign exchange rate changes during the six months ended 31 December 2025. All are denominated in Hong Kong dollars, United States dollars, Singapore dollars and Ringgit Malaysia.

As at 31 December 2025, the Group had lease liabilities of approximately RM0.5 million (30 June 2025: RM0.7 million) carrying interest rate ranging from 4.3% to 8.5% (30 June 2025: ranging from 4.3% to 8.5%) and bank loans of approximately RM4.2 million (30 June 2025: RM6.4 million) carrying interest rate at 7.2% (30 June 2025: 7.2%). All are denominated in Ringgit Malaysia. The Group had unutilized banking facilities of approximately RM47.0 million (30 June 2025: RM122.0 million).

The Group continued to maintain a healthy liquidity position. The current ratio increased from approximately 1.6 times as at 30 June 2025 to approximately 1.8 times as at 31 December 2025 which was mainly due to the significant decrease in trade and other payables, which contributed to the decrease of current liabilities in a larger portion than that of the current assets. The gearing ratio decreased from approximately 5.4% as at 30 June 2025 to approximately 3.6% as at 31 December 2025 which is calculated based on the total loans and borrowings (which represent bank loans and lease liabilities) divided by total equity at the end of the period/year. The decrease of gearing ratio was mainly due to the decrease of total bank loans and lease liabilities from approximately RM7.1 million as at 30 June 2025 to approximately RM4.7 million as at 31 December 2025.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or sell assets to reduce debt. No changes in the objective, policies or processes for managing capital were made during the six months ended 31 December 2025 and 2024.

Management Discussion and Analysis

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risk associated with each class of capital. Based on the recommendation of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

There had been no material change in the capital structure of the Group during the six months ended 31 December 2025.

Capital commitments

As at 31 December 2025, the Group had capital commitments of approximately RM81,000 (30 June 2025: RM81,000).

Pledge of assets

As at 31 December 2025, pledged bank deposits of approximately RM16.6 million (30 June 2025: RM9.2 million) have been pledged to banks as security for banking facilities granted to the Group with approximately RM14.3 million (30 June 2025: RM6.8 million) related to performance bonds. Pledged bank deposits related to performance bonds includes (i) minimum amount of deposits pledged to banks for facility lines for performance bonds; (ii) sinking fund (calculated at 6% of the progress payment from the particular contract related to the corresponding performance bonds); and (iii) interest income of deposits pledged to banks.

Deposits paid for acquisition of investment properties with carrying amount of approximately RM12.9 million (30 June 2025: deposits paid for acquisition of investment properties with carrying amount of approximately RM12.9 million and assets classified as held for sale with carrying amount of approximately RM1.5 million) as at 31 December 2025 were pledged to a bank as security for bank facilities granted to the Group.

Contingent liabilities

As at 31 December 2025, the Group had contingent liabilities in respect of performance bonds for contracts in favour of customers of approximately RM12.9 million (30 June 2025: nil).

The performance bonds were given by banks in favour of some of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released based on the terms of the respective contracts for the relevant customers. The performance bonds were secured and guaranteed by (i) deposits with licensed banks of approximately RM14.3 million; and (ii) corporate guarantees given by the Company as at 31 December 2025.

Risk management

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, contract assets, fixed deposits with maturity over three months, pledged bank deposits and cash at banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Management Discussion and Analysis

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group had significant exposure to individual customers. As at 31 December 2025, approximately 39% (30 June 2025: 49%) of the total gross trade receivables and contract assets was due from the Group's largest customer and approximately 98% (30 June 2025: 99%) of the total gross trade receivables and contract assets were due from the Group's five largest customers.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts. Normally, the Group does not obtain collateral from customers.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. The Group segments its trade receivables and contract assets based on geographic regions, due to different loss patterns experienced in the different regions.

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Other receivables and deposits

The management of the Group makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable. The management of the Group believes that there is no significant increase in credit risk of other receivables and deposits since initial recognition and the Group provided impairment based on 12 months expected credit losses. As at 31 December 2025 and 30 June 2025, the Group assessed the expected credit losses for other receivables and deposits were insignificant and thus no loss allowance was recognised.

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits are mainly placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

Management Discussion and Analysis

Interest rate risk

The Group exposed to fair value interest rate risk in relation to the Group's fixed-rate fixed deposits with maturity over three months, pledged bank deposits and lease liabilities. The management of the Group considers that the Group's exposure from these fixed-rate fixed deposits with maturity over three months, pledged bank deposits and lease liabilities to interest rate risk is not significant.

The Group's interest rate risk arises primarily from cash at banks and bank loans. Cash at banks and bank loans at variable rates expose the Group to cash flow interest rate risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Malaysia base lending rate from the Group's bank loans denominated in Ringgit Malaysia.

Foreign currency exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arise.

For the risks and uncertainties faced by the Group, please refer to the section headed "Principal risks and uncertainties facing the Group" under the "Directors' Report" in the 2025 annual report.

SIGNIFICANT INVESTMENTS HELD

Save as disclosed in this interim report, the circular of the Company dated 19 July 2022, the 2025 annual report and announcements of the Company dated 18 November 2025, 22 January 2026 and 29 January 2026, the Group did not hold any significant investments during the six months ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 25 April 2019 (the "**Prospectus**"), the circular of the Company dated 19 July 2022, the 2025 annual report, announcements of the Company dated 18 November 2025, 22 January 2026 and 29 January 2026 and this interim report, the Group did not have other plans for material investments and capital assets as at 31 December 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this interim report and announcements of the Company dated 18 November 2025, 22 January 2026 and 29 January 2026, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures during the six months ended 31 December 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this interim report and announcements of the Company dated 22 January 2026 and 29 January 2026, there were no other important events affecting the Group that have occurred since 31 December 2025 and up to the date of this interim report.

Management Discussion and Analysis

EMPLOYEES AND REMUNERATION POLICIES

Excluding the Directors, the total number of full-time employees of the Group increased from 68 as at 30 June 2025 to 71 as at 31 December 2025 for the expansion of the business activities.

The Group determines the remuneration of its employees with references to market rates and individual's qualifications, experience, skills, performance and contributions. The Group regularly reviews compensation and benefits policies as well as the individual performance of employees and encourages the employees to pursue their professionalism and personal goals.

The Board determined the remuneration of the Directors based on recommendation from the remuneration committee of the Company. The Board took into consideration a number of relevant factors such as salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions elsewhere in the Group, market practices, financial and non-financial performance, and desirability of performance-based remuneration. The remuneration committee of the Company will determine the overall amount of each component of remuneration, taking into account both quantitative and qualitative assessment of performance. No individual Director or any of his/her associates is involved in deciding his/her own remuneration.

No equity-based remuneration (e.g. share options or grants) with performance-related elements shall be granted to independent non-executive Directors. This measure aims to ensure the independent non-executive Directors are demonstrating objective judgement throughout their tenure. This is because equity-based remuneration with performance-related elements may lead to bias in their decision-making and compromise their objectivity and independence.

The Company adopted a share option scheme so that the Company may grant options to the eligible persons as incentives or rewards for their contributions to the Group. In addition, employees are always encouraged to attend job-related seminars, webinars, courses and programs organised by professional or educational institutions, in Malaysia, Singapore, Hong Kong or other jurisdiction.

PROSPECTS

During the six months ended 31 December 2025, the Group mainly focused on executing the existing contracts, including (i) a reclamation and related works and marine transportation contract for the land reclamation works and mixed development in the district of Mukim Plentong, Johor; and (ii) a building and infrastructure contract of a new ultra-modern 5 storey court complex in Johor with original contract sum in aggregate of approximately RM0.5 billion in Malaysia. The delivery of marine transportation works in Singapore remains stable.

In November 2025, Legasi Suria Selatan Sdn. Bhd., a special purpose vehicle established with Samaiden Sdn. Bhd. (a wholly-owned subsidiary of Samaiden Group Berhad which is a company listed on Bursa Malaysia Securities Berhad (stock code: 0223)) for the implementation of the development of a large-scale solar photovoltaic plant of 99.99MWac in Segamat, Johor, Malaysia represents a strategic expansion beyond traditional marine construction works into renewable energy infrastructure, leveraging engineering expertise in large-scale projects. It demonstrates we align with the environmental, social, and governance goals on sustainability. For details, please refer to the announcement of the Company dated 18 November 2025.

Management Discussion and Analysis

In January 2026, the Group entered into a sale and purchase agreement with a vendor to conditionally purchase 100% equity interest in Chengdu Jianfu Convenience Store Management Co., Ltd. (成都市見福便利店管理有限公司) (“**Chengdu Jianfu**”) who operates convenience stores business in Sichuan Province, the PRC, with an extensive network of upstream suppliers (including but not limited to food and beverage and daily necessities) and downstream end customers. It has 65 self-operated stores and 30 franchised stores. It also has its own administrative office in Chengdu, with its operation relatively independent and complete. Such acquisition gives us investment opportunity to attempt running convenience stores business, and will also provide easier access to the new convenience stores business, accompanied by the existing networks, stores locations, and supply chain resources. Therefore, the Group can rely on the comprehensive ongoing support with the built system as mentioned above and diversify the Group’s revenue stream in future. For details, please refer to the announcements of the Company dated 22 January 2026 and 29 January 2026.

It is expected that all the above activities will enhance and strengthen the revenue and profitability of the Group in the near future.

Along the industry development, reclamation and marine works remains concentrated in Johor, Malaysia and other coastal areas, driven by building development, infrastructure and energy needs. The Malaysian Government strong push towards renewables aligns with the solar plant project to be developed by our joint venture.

The Group believes its liquidity position remains healthy by considering the cash and cash equivalents in hand, available banking facilities, tight cost control measures and capital commitments. The Group is closely monitoring the situation and uncertainties faced by the Group and will pursue the opportunities should the business and financial situation allowed. The Group keeps optimising its business models and portfolios to solidify its market competitiveness by participating in different tenders actively, especially on marine construction services. At the same time, the Group is focusing on executing the existing awarded construction works in order to deliver the quality work on schedule. The Group is actively realising the value of the properties on hand by selling the properties in the market. The Group will leverage its financial position, extensive network from its management, strong quality management system and resources available to implement appropriate business strategies to mitigate the potential adverse impact on its business operations and to ensure sustained value creation.

Management Discussion and Analysis

USE OF PROCEEDS

The net proceeds of the global offering of the ordinary shares of the Company (the “**Shares**”) received by the Company were approximately HK\$125.2 million (approximately RM62.6 million)^(Note 1), after deduction of underwriting fees and related listing expenses, of which HK\$15.0 million of the total amount of fees and expenses in connection with the global offering of the Shares had been paid from the proceeds of the pre-IPO investments. Set out below is the breakdown of use of net proceeds from the global offering of the Shares from 10 May 2019 (the “**Listing Date**”) up to 31 December 2025:

Use of net proceeds as at 31 December 2025	Percentage of net proceeds (Note 2) %	Original allocation of the net proceeds (Note 1) RM million	Revised allocation of the unutilised net proceeds (Note 3) RM million	Amount utilised as at 31 December 2025 RM million	Unutilised net proceeds balance as at 31 December 2025 RM million	Expected timeline on utilising the remaining proceeds (Note 4)
Acquiring one rebuilt sand carrier from one of the existing subcontractors for marine transportation services	57.9	36.2	–	–	–	N/A
Purchasing new land-based machineries	7.3	4.6	–	–	–	N/A
Satisfying performance bonds requirement of prospective projects	23.4	14.7	14.7	(14.7)	–	By June 2028
Upgrading the information technology and project management systems	0.6	0.4	0.4	(0.3)	0.1	By June 2028
Recruiting and expanding management team for the building and infrastructure works	3.4	2.1	2.1	(2.0)	0.1	By June 2028
Working capital and general corporate purposes	7.4	4.6	4.6	(4.6)	–	N/A
Funding and capital requirements for new contracts	–	–	40.8	(40.8)	–	By June 2028
	<u>100.0</u>	<u>62.6</u>	<u>62.6</u>	<u>(62.4)</u>	<u>0.2</u>	

As at 31 December 2025, approximately RM0.2 million (representing approximately 0.3% of the net proceeds from the global offering) had not yet been utilised. The unutilised net proceeds were deposited in the Group’s banks in Malaysia.

Management Discussion and Analysis

Notes:

- (1) The net proceeds allocated for each specific use have been adjusted proportionally in the manner as stated in the Prospectus due to the difference between the estimated net proceeds and the actual net proceeds received.
- (2) Such utilisation of the net proceeds was in accordance with the proposed allocations as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.
- (3) On 23 February 2024, the Board has resolved to reallocate part of the unutilised net proceeds as at 31 December 2023 in the sum of approximately RM40.8 million, which was originally allocated for acquiring one rebuilt sand carrier and for purchasing new land-based machineries, to the use of funding and capital requirements for new contracts awarded to the Group. For further details, please refer to the section headed “Change in Use of Proceeds” of the announcement of the Company dated 23 February 2024.
- (4) The expected timeline on utilising the remaining proceeds is the best estimation of the Directors based on: (i) the latest information provided by the customers on the expected commencement date of the construction contracts previously secured; (ii) ongoing contracts on hand; and (iii) the present business and economic environment including the consequential impact of COVID-19 outbreak, as of the date of this interim report. In view of the above, the Directors expect the remaining proceeds will be utilised alongside the resumption of the economic activities in general by the year ending 30 June 2028 should the market and economic situation require, and would be subject to change based on the future development of market conditions.

Corporate Governance and Other Information

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended 31 December 2025 and up to the date of this interim report, the Board is of the view that the Company had adopted and complied with all applicable code provisions set out in the Corporate Governance Code in the Appendix C1 to the Listing Rules (“**CG Code**”).

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the Company by the Directors. The Company had made specific enquiry with all the Directors and the Directors confirmed that they have complied with the required standard as set out in the Model Code regarding securities transactions by the Directors during the six months ended 31 December 2025 and up to the date of this interim report.

SHARE OPTION SCHEME

Pursuant to the written resolutions passed on 11 April 2019, the Company has conditionally adopted a share option scheme (the “**Share Option Scheme**”), which became unconditional and effect on the Listing Date. No option had been granted, exercised, lapsed nor cancelled under the Share Option Scheme since the adoption of the Share Option Scheme up to the date of this interim report. For details of the Share Option Scheme, please refer to the section headed “Statutory and General Information – E. Share Option Scheme” in Appendix IV to the Prospectus.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 31 December 2025.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

As at the date of this interim report, none of the Directors and their respective close associates are considered to be interested in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to the Listing Rules.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Listing Rules were as follows:

Long positions in the Shares of the Company

Name of Director	Capacity/Nature of interests	Total number of Shares/ underlying Shares held	Approximate percentage of issued share capital
Dato' Ng Say Piyu ("Dato' Ng")	Interest in a controlled corporation ⁽²⁾	181,816,500 (L)	36.36%
	Interest of spouse ⁽³⁾	61,233,500 (L)	12.25%
	Beneficial owner	12,432,000 (L)	2.49%
	Interest held jointly with Datin Ngooi ⁽⁶⁾	255,482,000 (L)	51.10%
Datin Ngooi Leng Swee ("Datin Ngooi")	Interest in a controlled corporation ⁽⁴⁾	61,233,500 (L)	12.25%
	Interest of spouse ⁽⁵⁾	194,248,500 (L)	38.85%
	Interest held jointly with Dato' Ng ⁽⁶⁾	255,482,000 (L)	51.10%
Mr. Lam Fung Eng	Beneficial owner	6,216,000 (L)	1.24%
Mr. Ng Chong Boon	Beneficial owner	6,216,000 (L)	1.24%

Corporate Governance and Other Information

Notes:

- (1) The letter “L” denotes a person’s “long position” (as defined under Part XV of the SFO) in such Shares.
- (2) Dato’ Ng beneficially owns 100% of the share capital of JBB Jade Investment Limited. By virtue of the SFO, Dato’ Ng is deemed to be interested in 181,816,500 Shares held by JBB Jade Investment Limited, representing approximately 36.36% of the entire issued share capital of our Company.
- (3) Dato’ Ng is the spouse of Datin Ngooi. Accordingly, Dato’ Ng is deemed, or taken to be, interested in all the Shares in which Datin Ngooi is interested for the purpose of SFO.
- (4) Datin Ngooi beneficially owns 100% of the share capital of JBB Berlian Investment Limited. By virtue of the SFO, Datin Ngooi is deemed to be interested in 61,233,500 Shares held by JBB Berlian Investment Limited, representing approximately 12.25% of the entire issued share capital of our Company.
- (5) Datin Ngooi is the spouse of Dato’ Ng. Accordingly, Datin Ngooi is deemed, or taken to be, interested in all the Shares in which Dato’ Ng is interested for the purpose of SFO.
- (6) Pursuant to the confirmatory deed dated 16 May 2018, Dato’ Ng and Datin Ngooi are parties acting in concert (having the meaning ascribed to it under The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission). As such, Dato’ Ng and Datin Ngooi will together control approximately 51.10% of the entire issued share capital of the Company.

Save as disclosed above, as at 31 December 2025, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) or pursuant to section 352 of the SFO, required to be recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2025, so far as is known to the Directors, the interests or short positions of the persons (other than a Director or chief executive of the Company) in the Shares or underlying Shares which are required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions in the Shares of the Company

Name of Shareholders	Capacity/Nature of interests	Total number of Shares/ underlying Shares held	Approximate percentage of issued share capital
JBB Jade Investment Limited	Beneficial owner	181,816,500(L) ⁽¹⁾⁽²⁾	36.36%
JBB Berlian Investment Limited	Beneficial owner	61,233,500(L) ⁽¹⁾⁽³⁾	12.25%

Note:

- (1) The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
- (2) The 181,816,500 Shares are held by JBB Jade Investment Limited, which is wholly owned by Dato' Ng, the executive Director of the Company. Dato' Ng is the spouse of Datin Ngooi.
- (3) The 61,233,500 Shares are held by JBB Berlian Investment Limited, which is wholly owned by Datin Ngooi, the non-executive Director of the Company. Datin Ngooi is the spouse of Dato' Ng.

Save as disclosed above, as at the date of this interim report, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" above, had registered an interest or short position in the Shares or underlying Shares that was required to be recorded pursuant to section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of its Directors, as at the date of this interim report, the Company has maintained a sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

Corporate Governance and Other Information

AUDIT COMMITTEE

The Company established the audit committee on 11 April 2019 with written terms of reference in compliance with Rules 3.21 of the Listing Rules and code provision D.3.3 in Part 2 “Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices” of the CG Code. The primary duties of the audit committee are, amongst other things, to review and supervise the financial reporting processes and internal control systems and risk management of the Group.

The audit committee of the Company had reviewed the accounting principles and policies adopted by the Group and the financial reporting matters including interim results and the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2025.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders of the Company, business partners and customers of the Group for their continued support, guidance and contribution to the Group and appreciation to our management and employees for their hard work and dedication.

On behalf of the Board

Dato’ Ng Say Piyu

Chairman

Hong Kong, 24 February 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 31 December 2025
(Expressed in Malaysian Ringgit)

	Note	For the six months ended 31 December	
		2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Revenue	4	189,704	223,827
Direct costs		(183,314)	(215,782)
Gross profit		6,390	8,045
Other revenue	5	2,073	3,274
Other net income	5	1,469	621
Reversal/(allowance) for impairment loss on trade receivables and contract assets	6(c)	64	(859)
General and administrative expenses		(9,161)	(8,331)
Profit from operations		835	2,750
Share of loss of joint ventures		(7)	(8)
Finance costs	6(a)	(194)	(362)
Profit before taxation	6	634	2,380
Income tax expenses	7	(560)	(839)
Profit for the period		74	1,541
Other comprehensive expenses for the period			
Items that will not be reclassified to profit or loss:			
Currency translation differences		(1,991)	(2,809)
Total comprehensive expenses for the period		(1,917)	(1,268)
Profit/(loss) for the period attributable to:			
Owners of the Company		107	1,571
Non-controlling interests		(33)	(30)
		74	1,541
Total comprehensive expenses attributable to:			
Owners of the Company		(1,884)	(1,238)
Non-controlling interests		(33)	(30)
		(1,917)	(1,268)
Earnings per share (Sen per share)	9		
– Basic		0.02	0.31
– Diluted		0.02	0.31

Condensed Consolidated Statement of Financial Position

As at 31 December 2025

(Expressed in Malaysian Ringgit)

	Note	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Non-current assets			
Property, plant and equipment	10	1,358	1,667
Interests in joint ventures		89	96
Deposits paid for acquisition of investment properties	11	17,556	27,637
Deposits placed for life insurance policies		1,054	1,054
Deferred tax assets		19	33
		20,076	30,487
Current assets			
Trade and other receivables	12	143,154	147,986
Contract assets	13(a)	26,206	28,690
Tax recoverable		1,812	1,825
Fixed deposits with maturity over three months		380	5,700
Pledged bank deposits		16,630	9,179
Cash and cash equivalents		62,617	71,451
		250,799	264,831
Assets classified as held for sale	14	–	1,500
		250,799	266,331
Current liabilities			
Trade and other payables	15	119,841	142,775
Contract liabilities	13(b)	15,388	13,793
Bank loans	16	4,227	4,410
Lease liabilities		167	263
Provision for taxation		1,185	1,452
		140,808	162,693
Net current assets		109,991	103,638
Total assets less current liabilities		130,067	134,125
Non-current liabilities			
Bank loans	16	–	1,974
Lease liabilities		295	437
Deferred tax liabilities		29	54
		324	2,465
Net assets		129,743	131,660
Capital and reserves			
Share capital	17	2,672	2,672
Reserves		120,406	122,290
Total equity attributable to equity owners of the Company		123,078	124,962
Non-controlling interests		6,665	6,698
		129,743	131,660

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2025
(Expressed in Malaysian Ringgit)

	Attributable to owners of the Company						Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Exchange reserve RM'000	Retained profits RM'000	Total RM'000		
At 1 July 2024	2,672	71,999	6,316	7,563	40,599	129,149	7,202	136,351
Profit/(loss) for the period	-	-	-	-	1,571	1,571	(30)	1,541
Other comprehensive expenses for the period								
Currency translation differences	-	-	-	(2,809)	-	(2,809)	-	(2,809)
Total comprehensive income/(expenses) for the period	-	-	-	(2,809)	1,571	(1,238)	(30)	(1,268)
Disposal of a non-wholly owned subsidiary	-	-	(27)	(45)	72	-	(428)	(428)
At 31 December 2024	<u>2,672</u>	<u>71,999*</u>	<u>6,289*</u>	<u>4,709*</u>	<u>42,242*</u>	<u>127,911</u>	<u>6,744</u>	<u>134,655</u>
At 1 July 2025	2,672	71,999	6,289	2,000	42,002	124,962	6,698	131,660
Profit/(loss) for the period	-	-	-	-	107	107	(33)	74
Other comprehensive expenses for the period								
Currency translation differences	-	-	-	(1,991)	-	(1,991)	-	(1,991)
Total comprehensive (expenses)/income for the period	-	-	-	(1,991)	107	(1,884)	(33)	(1,917)
At 31 December 2025	<u>2,672</u>	<u>71,999*</u>	<u>6,289*</u>	<u>9*</u>	<u>42,109*</u>	<u>123,078</u>	<u>6,665</u>	<u>129,743</u>

* These reserve accounts comprise consolidated reserves of approximately RM120,406,000 (31 December 2024: RM125,239,000) in the condensed consolidated statement of financial position at 31 December 2025.

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2025
(Expressed in Malaysian Ringgit)

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Net cash used in operating activities	(18,469)	(4,924)
Investing activities		
Net proceeds on disposal of a non-wholly owned subsidiary	–	798
Interest received	260	744
Payments for purchases of property, plant and equipment	(55)	(559)
Increase in pledged bank deposits	(7,451)	(1,102)
Withdrawal of deposits with maturity over three months	5,320	–
Proceeds on disposal of deposits paid for acquisition of investment properties	14,862	–
Proceeds on disposal of investment properties	1,500	–
Net cash generated from/(used in) investing activities	14,436	(119)
Financing activities		
Repayment of bank borrowings	(2,157)	(1,996)
Capital element of lease rentals paid	(129)	(147)
Interest element on lease rentals paid	(15)	(19)
Interest on bank borrowings	(179)	(343)
Net cash used in financing activities	(2,480)	(2,505)
Net decrease in cash and cash equivalents	(6,513)	(7,548)
Cash and cash equivalents at the beginning of the period	71,451	94,095
Effect of foreign exchange rate changes	(2,321)	(3,445)
Cash and cash equivalents at the end of the period	62,617	83,102

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liabilities on 30 April 2018 under the Companies Law (Cap. 22) (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered address is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 1762, 17th Floor, Luk Kwok Centre, 72 Gloucester Road, Wanchai, Hong Kong.

The ordinary shares of the Company (the "**Shares**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 May 2019.

The Company is an investment holding company and the Company's subsidiaries are principally engaged in the provision of marine construction services, and building and infrastructure services. As at 31 December 2025, the Company is ultimately controlled by Dato' Ng Say Piyu and Datin Ngooi Leng Swee (the "**Controlling Shareholders**"), who have entered into a confirmatory deed on 16 May 2018.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interests in joint ventures.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

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

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is Hong Kong dollars ("**HK\$**") and the condensed consolidated financial statements are presented in Malaysian Ringgit ("**RM**"), rounded to the nearest thousand, unless otherwise stated, as the Group's principal activities were carried out in Malaysia and Singapore in which the management uses RM to control and monitor the performance and financial position of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except that the investment properties, including interests in leasehold land and buildings held as investment properties where the Group is the registered owner of the property interest, are stated at their fair value.

The deposits placed for life insurance policies are carried at the cash surrender value of the policies.

Non-current assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Other than changes in accounting policies resulting from the application of new and amendments to International Financial Reporting Standards (“**IFRS(s)**”) issued by the IASB, the accounting policies and methods computation used in the condensed consolidated financial statements for the six months ended 31 December 2025 are the same as those presented in the preparation of the Group’s annual financial statements for the year ended 30 June 2025.

Amendments to IFRSs that are mandatorily effective for the current period

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 July 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are the provision of marine construction services, and building and infrastructure services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
Construction contracts		
– Reclamation and related works	36,614	64,832
– Building and infrastructure	40,136	20,521
	76,750	85,353
Marine transportation	112,954	138,474
	189,704	223,827

Revenue from construction contracts is recognised over time, while revenue from marine transportation is recognised at a point in time.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the board of directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of allocating resources to segments and assessing their performance.

For management purpose, the Group is organised into business units based on their products and services and has three reportable segments as follows:

Marine construction services

- Reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion.
- Marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.

Building and infrastructure services

- General building works in construction of properties and infrastructure works.

Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of central administrative and corporate expenses, unallocated other revenue and other net income, finance costs and share of loss of joint ventures. This is the measure reported to the CODM, for the purposes of resources allocation and performance assessment. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

No segment assets and liabilities are presented as they were not regularly provided to the CODM for the purpose of resources allocation and performance assessment.

Information regarding the above segments is reported below.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended 31 December 2025

	Marine construction			Total RM'000 (unaudited)
	Reclamation and related works RM'000 (unaudited)	Marine transportation RM'000 (unaudited)	Building and infrastructure RM'000 (unaudited)	
Reportable segment revenue	36,614	112,954	40,136	189,704
Reportable segment profit	1,439	4,510	2,657	8,606
Unallocated central administrative and corporate expenses				(8,793)
Unallocated other revenue and other net income				1,022
Finance costs				(194)
Share of loss of joint ventures				(7)
Profit before taxation				634
Other segment information				
Depreciation	44	26	-	70
(Reversal)/allowance for impairment loss on trade receivables and contract assets	(73)	(46)	55	(64)
Gain on disposal of deposits paid for acquisition of investment properties	-	-	(898)	(898)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

For the six months ended 31 December 2024

	Marine construction			Total
	Reclamation and related works RM'000 (unaudited)	Marine transportation RM'000 (unaudited)	Building and infrastructure RM'000 (unaudited)	RM'000 (unaudited)
Reportable segment revenue	<u>64,832</u>	<u>138,474</u>	<u>20,521</u>	<u>223,827</u>
Reportable segment profit/(loss)	<u>6,177</u>	<u>6,602</u>	<u>(2,796)</u>	9,983
Unallocated central administrative and corporate expenses				(8,031)
Unallocated other revenue and other net income				798
Finance costs				(362)
Share of loss of a joint venture				<u>(8)</u>
Profit before taxation				<u>2,380</u>
Other segment information				
Depreciation	49	19	–	68
Allowance/(reversal) for impairment loss on trade receivables and contract assets	789	(76)	146	859
Gain on disposal of a non-wholly owned subsidiary	<u>(572)</u>	<u>–</u>	<u>–</u>	<u>(572)</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

Geographical information

The following is an analysis of geographical location of (a) the Group's revenue from external customers; and (b) the Group's property, plant and equipment, deposits paid for acquisition of investment properties, deposits placed for life insurance policies and interests in joint ventures. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of property, plant and equipment, deposits paid for acquisition of investment properties and deposits placed for life insurance policies are based on the physical location of the assets under consideration. In the case of interests in joint ventures, they are the location of operations of the joint ventures.

(a) Revenue from external customers

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Malaysia (place of domicile)	76,750	85,353
Singapore	112,954	138,474
	189,704	223,827

(b) Non-current assets

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Malaysia	19,996	30,236
Singapore	61	72
Hong Kong	—*	146
	20,057	30,454

* The amount represents an amount less than RM1,000.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

Information about major customers

Revenue from customers contributing individually 10% or more of the Group's revenue is as follows:

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Customer i ¹	112,954	138,474
Customer ii ²	39,725	N/A*
Customer iii ³	36,614	45,054
	<u>189,293</u>	<u>183,528</u>

¹ Revenue from the Group's marine construction services – marine transportation.

² Revenue from the Group's building and infrastructure services.

³ Revenue from the Group's marine construction services – reclamation and related works.

* The corresponding revenue did not contribute 10% or more of the Group's revenue.

5. OTHER REVENUE AND OTHER NET INCOME

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Other revenue		
Handling service fee on provision of marine transportation services	93	1,834
Handling service fee on provision of diesel	93	10
Interest income on financial assets measured at amortised cost	452	744
Interest income on trade receivables owing from a customer	1,435	682
Others	–	4
	<u>2,073</u>	<u>3,274</u>
Other net income		
Gain on disposal of deposits paid for acquisition of investment properties	898	–
Gain on disposal of a non-wholly owned subsidiary	–	572
Gain on partial disposal of a joint venture	–	11
Net foreign exchange gain	571	38
	<u>1,469</u>	<u>621</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

6. PROFIT BEFORE TAXATION

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

(a) Finance costs

	For the six months ended 31 December	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Interest on bank loans	179	343
Interest on lease liabilities	15	19
Total interest expenses on financial liabilities not at fair value through profit or loss	194	362

(b) Staff costs (including Directors' emoluments)

	For the six months ended 31 December	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Directors' emoluments	830	842
Other staff costs		
Salaries, wages and other benefits	3,718	3,730
Contributions to defined contribution retirement plan	429	423
	4,977	4,995
Less: Amount included in direct costs	(126)	(159)
	4,851	4,836

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

6. PROFIT BEFORE TAXATION (CONTINUED)

(c) Other items

	For the six months ended 31 December	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Depreciation charge		
– owned property, plant and equipment	184	179
– right-of-use assets	70	72
	<u>254</u>	<u>251</u>
Short-term lease expenses	299	706
Less: Amount included in direct costs	(190)	(620)
	<u>109</u>	<u>86</u>
(Reversal)/allowance for impairment loss on trade receivables and contract assets	(64)	859
Auditors' remuneration	203	192
Gain on disposal of deposits paid for acquisition of investment properties	(898)	–
Gain on disposal of a non-wholly owned subsidiary	–	(572)
Gain on partial disposal of a joint venture	–	(11)
Net foreign exchange gain	(571)	(38)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

7. INCOME TAX EXPENSES

	For the six months ended 31 December	
	2025	2024
	RM'000	RM'000
	(unaudited)	(unaudited)
Current tax		
Malaysia corporate income tax	4	4
Singapore corporate income tax	568	922
	572	926
Over provision in prior years	-	(7)
Deferred tax		
Origination and reversal of temporary differences	(12)	(80)
Income tax expenses for the period	560	839

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (ii) No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the six months ended 31 December 2025 and 2024.
- (iii) Corporate income tax in Malaysia is calculated at the statutory rate of 24% of the estimated taxable profit for the six months ended 31 December 2025 and 2024.
- (iv) Corporate income tax in Singapore is calculated at the statutory rate of 17% of the estimated taxable profit for the six months ended 31 December 2025 and 2024. 75% of the chargeable income of first Singapore dollars ("SGD") 10,000 and 50% of the chargeable income of next SGD190,000 are exempted under Inland Revenue Authority of Singapore's partial tax exemption scheme for the six months ended 31 December 2025 and 2024.

8. DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 31 December 2025 (six months ended 31 December 2024: nil).

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated profit attributable to owners of the Company of approximately RM107,000 (six months ended 31 December 2024: consolidated profit attributable to owners of the Company of approximately RM1,571,000) and the weighted average of 500,000,000 ordinary shares (six months ended 31 December 2024: 500,000,000 ordinary shares) in issue during the six months ended 31 December 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

9. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential shares in existence during the six months ended 31 December 2025 and 2024.

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Property, plant and equipment

During the six months ended 31 December 2025, the Group paid approximately RM55,000 in cash for the acquisition of property, plant and equipment. During the six months ended 31 December 2024, the Group paid approximately RM559,000 in cash and approximately RM112,000 through lease liabilities for the acquisition of property, plant and equipment.

During the six months ended 31 December 2024, the Group disposed of certain property, plant and equipment with carrying amount of approximately RM45,000 through disposal of a non-wholly owned subsidiary.

Right-of-use assets

During the six months ended 31 December 2025, the Group did not enter into other new lease agreements for the use of assets for more than 1 year (six months ended 31 December 2024: nil).

During the six months ended 31 December 2025, the Group derecognised right-of-use assets with net book value of approximately RM104,000 (six months ended 31 December 2024: nil) due to early termination of a lease agreement.

11. DEPOSITS PAID FOR ACQUISITION OF INVESTMENT PROPERTIES

- (i) During the six months ended 31 December 2025, the Group disposed 5 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to independent third parties to the Group, amounted to approximately RM10,979,000 in aggregate, including 3 sales and purchase agreements entered into by the Group during the year ended 30 June 2025 and 2 sales and purchase agreements entered into by the Group during the six months ended 31 December 2025.

A gain on disposal of approximately RM898,000 was recognised and the carrying amount of the deposits paid for acquisition of the abovementioned properties amounted to approximately RM10,081,000 were derecognised during the six months ended 31 December 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

11. DEPOSITS PAID FOR ACQUISITION OF INVESTMENT PROPERTIES (CONTINUED)

- (ii) During the six months ended 31 December 2024, the Group entered into 2 sales and purchase agreements to dispose 2 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 2 independent third parties to the Group, amounted to approximately RM4,980,000 in aggregate, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM4,636,000 was included in the balances as at 31 December 2024. Such balances will be derecognised upon obtaining each of the respective foreign consent.

As at 31 December 2025, there was/were 1 (30 June 2025: 4) sales and purchase agreement(s) entered into by the Group to dispose 1 (30 June 2025: 4) property(ies) located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM1,866,000 (30 June 2025: RM8,306,000) was included in the balances as at 31 December 2025. Such balances will be derecognised upon obtaining each of the respective foreign consent.

During the six months ended 31 December 2025, no impairment loss has been recognised for deposits paid for acquisition of investment properties (six months ended 31 December 2024: nil). The valuations of recoverable amount of deposits paid for acquisition of investment properties (excluding those entered into the sale and purchase agreements while pending the foreign consent to be obtained from the State Authority of Johor) as at 31 December 2025 and 30 June 2025 were carried out by an independent firm, Knight Frank Malaysia Sdn. Bhd., who have among their valuers registered with The Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia, with recent experience in the location and category of properties being valued. The recoverable amount of deposits paid for acquisition of investment properties located in Malaysia is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted to reflect the locations and conditions of the subject properties, using market data which is publicly available.

As at 31 December 2025, the amount of deposits paid for acquisition of investment properties represents the consideration paid for the acquisition of 29 (30 June 2025: 34) investment properties in Malaysia. As the legal titles in respect of those investment properties had not been vested in the Group as of 31 December 2025 and 30 June 2025, the payments made were accounted as deposits paid.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

11. DEPOSITS PAID FOR ACQUISITION OF INVESTMENT PROPERTIES (CONTINUED)

	For the six months ended 31 December			
	2025		2024	
	No. (unaudited)	RM'000 (unaudited)	No. (unaudited)	RM'000 (unaudited)
At 1 July	34	27,637	41	42,710
Disposal	(5)	(10,081)	—	—
At 31 December	29	17,556	41	42,710

As at 31 December 2025, deposits paid for acquisition of investment properties of approximately RM12,911,000 (30 June 2025: RM12,911,000) have been pledged to a bank as security for bank facilities granted to the Group.

12. TRADE AND OTHER RECEIVABLES

	Note	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Trade receivables	(i)	139,283	144,119
Less: allowance for doubtful debts		(9,412)	(9,471)
	(ii)	129,871	134,648
Deposits, prepayments and other receivables	(iii), (iv)	7,778	3,950
Other receivables from disposal of deposits paid for acquisition of investment properties	(iii)	5,505	9,388
		143,154	147,986

Notes:

- (i) As at 31 December 2025, trade receivables of approximately RM2,605,000 (30 June 2025: RM3,305,000) and contract assets of approximately RM33,000 (30 June 2025: RM33,000) as disclosed in note 13(a) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (30 June 2025: 3) properties of total net price of approximately RM7.0 million (30 June 2025: RM7.0 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.
- (ii) All of the trade receivables are expected to be recovered within one year.
- (iii) The amount of deposits, prepayments and other receivables and other receivables from disposal of deposits paid for acquisition of investment properties are expected to be recovered or recognised as expenses within one year.
- (iv) As at 31 December 2025, the amount of deposits, prepayments and other receivables included amount due from a related company of approximately RM60,000 (30 June 2025: RM60,000), in which a key management personnel of the Group has controlling interest. The amount was unsecured, non-trade nature and repayable on demand.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

Aging analysis of trade receivables

As at the end of the reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Within 30 days	61,938	39,503
31 to 60 days	24,229	50,128
61 to 90 days	9,170	13,563
Over 90 days	34,534	31,454
	<u>129,871</u>	<u>134,648</u>

Trade receivables are generally due within 30 to 90 days from the date of invoice.

13. CONSTRUCTION CONTRACTS

(a) Contract assets

The Group's contract assets are analysed as follows:

	Note	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Contract assets			
Arising from performance under construction contracts		247	4,455
Retention receivables	(i)	<u>25,959</u>	<u>24,235</u>
		<u>26,206</u>	<u>28,690</u>
Gross carrying amount	(ii)	26,380	28,881
Less: loss allowance		<u>(174)</u>	<u>(191)</u>
		<u>26,206</u>	<u>28,690</u>
Receivables from contracts with customers within the scope of IFRS 15, which are included in "Trade and other receivables"			
(Note 12)		<u>129,871</u>	<u>134,648</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

13. CONSTRUCTION CONTRACTS (CONTINUED)

(a) Contract assets (Continued)

Notes:

- (i) As at 31 December 2025, the amounts of approximately RM18,216,000 (30 June 2025: RM20,162,000) included in the contract assets are expected to be recovered after more than one year, all of which related to retention receivables. All of the other contract assets are expected to be recovered within one year.
- (ii) As at 31 December 2025, trade receivables of approximately RM2,605,000 (30 June 2025: RM3,305,000) as disclosed in note 12 and contract assets of approximately RM33,000 (30 June 2025: RM33,000) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (30 June 2025: 3) properties of total net price of approximately RM7.0 million (30 June 2025: RM7.0 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.

(b) Contract liabilities

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Contract liabilities		
Construction contracts		
– Billings in advance of performance	15,388	13,793

14. ASSETS CLASSIFIED AS HELD FOR SALE

On 30 June 2025, the Group entered into sale and purchase agreements to dispose investment properties to 2 independent third parties to the Group, amounted to RM1,500,000 in aggregate.

Investment properties amounted to RM2,200,000 were reclassified as assets held for sale amounted to RM1,500,000, resulting in a fair value loss of RM700,000, being the difference between the proceeds of disposal of RM1,500,000 and the carrying amount of the investment properties of RM2,200,000, for the year ended 30 June 2025.

The disposal is consistent with the Group's long-term policy to focus its activities on the Group's construction businesses. The disposal, which are expected to be completed upon the receipt of the consideration of the investment properties from the purchasers and completion of the registration of the title of investment properties under the land registry (i.e. within 12 months), have been classified as assets held for sale and presented separately in the consolidated statement of financial position as at 30 June 2025.

As at 30 June 2025, assets classified as held for sale amounted to RM1,500,000 have been pledged to a bank as security for bank facilities granted to the Group. Based on the latest information from the bank, no redemption of money is required for the release of the pledged of the abovementioned assets from the bank facilities while the bank is currently undergoing internal process to approve the release of the pledged of the abovementioned assets from the bank facilities.

As at 31 December 2025, the properties were sold and released from pledging of bank facilities granted to the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

15. TRADE AND OTHER PAYABLES

		31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
	Note		
Trade payables		109,363	129,804
Other payables and accruals	(i)	523	947
Retention payables	(ii)	9,955	12,024
		<u>119,841</u>	<u>142,775</u>

Notes:

- (i) As at 31 December 2025, the amount of other payables and accruals included amount due to a joint venture of approximately RM6,000 (30 June 2025: RM6,000) which was unsecured, non-trade and repayable on demand.
- (ii) As at 31 December 2025, except for the amounts of approximately RM5,296,000 (30 June 2025: RM7,960,000) included in the retention payables which are expected to be settled after one year, all of the trade and other payables are expected to be settled within one year or are repayable on demand.

Aging analysis of trade payables

As at the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Within 30 days	70,252	54,487
31 to 90 days	29,325	64,582
Over 90 days	9,786	10,735
	<u>109,363</u>	<u>129,804</u>

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For the six months ended 31 December 2025

16. BANK LOANS

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Bank loans, secured	<u>4,227</u>	<u>6,384</u>

The bank loans were repayable as follows:

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Within 1 year or on demand	4,227	4,410
Within a period of more than 1 year but not exceeding 2 years	<u>-</u>	<u>1,974</u>
	4,227	6,384
Less: Amounts due within 1 year shown under current liabilities	<u>(4,227)</u>	<u>(4,410)</u>
Amounts shown under non-current liabilities	<u>-</u>	<u>1,974</u>

As at 31 December 2025, the Group's banking facilities were secured and guaranteed by:

- (i) deposits paid for acquisition of investment properties of approximately RM12,911,000 (30 June 2025: RM12,911,000);
- (ii) deposits with licensed banks of the Group with carrying amounts of approximately RM16,630,000 (30 June 2025: RM9,179,000); and
- (iii) assets classified as held for sale of nil (30 June 2025: approximately RM1,500,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

16. BANK LOANS (CONTINUED)

As at the end of the reporting period, the bank loans bear interest as follow:

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Bank loans	<u>7.20%</u>	<u>7.20%</u>

As at 31 December 2025, the Group had aggregate banking facilities of approximately RM67,000,000 (30 June 2025: RM142,000,000) for loans and borrowings. Unused facilities as at the same date amounted to approximately RM47,000,000 (30 June 2025: RM122,000,000).

17. SHARE CAPITAL

Authorised ordinary shares of HK\$0.01 each:

	No. of shares	Amount RM'000
At 1 July 2024 (unaudited), 30 June 2025 (audited) and 31 December 2025 (unaudited)	<u>2,000,000,000</u>	<u>10,535</u>

Issued and fully paid ordinary shares of HK\$0.01 each:

	No. of shares	Amount RM'000
At 1 July 2024 (unaudited), 30 June 2025 (audited) and 31 December 2025 (unaudited)	<u>500,000,000</u>	<u>2,672</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

18. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following material related party transactions.

The directors of the Company are of the view that following parties/companies were related parties that had transactions or balances with the Group during the period:

Name of party	Relationship with the Group
JBB Kimlun Sdn. Bhd.	A joint venture
Kukuh Sejahtera Sdn. Bhd.	A company controlled by a key management personnel of the Group

(a) Key management personnel remuneration

The remuneration of key management personnel, including the executive directors of the Company and certain of the highest paid employees of the Group during the period is as follows:

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Short-term employee benefits	1,057	1,075
Post-employment benefits	73	74
	<u>1,130</u>	<u>1,149</u>

(b) Transactions with related parties

During the period, the Group entered into the following related party transactions:

Non-continuing transactions

	For the six months ended 31 December	
	2025 RM'000 (unaudited)	2024 RM'000 (unaudited)
Management fee expenses JBB Kimlun Sdn. Bhd.	<u>34</u>	<u>34</u>
Professional fee expenses Kukuh Sejahtera Sdn. Bhd.	<u>240</u>	<u>190</u>

The directors of the Company consider that the above related party transactions during the period were conducted on mutually-agreed terms in the ordinary course of the Group's business.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

19. CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

	31 December 2025 RM'000 (unaudited)	30 June 2025 RM'000 (audited)
Equipment	81	81

20. SHARE OPTION SCHEME

A share option scheme (the “**Scheme**”) was adopted by the Company on 11 April 2019 for the primary purpose of providing incentives or rewards to eligible participants which will expire on 10 April 2029. Under the Scheme, the board of directors of the Company may grant options to the eligible participants, including employees, directors, advisors, consultants, service providers, agents, customers, suppliers, partners or joint-venture partners of the Group, to subscribe for shares in the Company.

For more details, please refer to note 35 to the consolidated financial statements of 2025 annual report.

No share options are granted since the adoption of the Scheme and there are no outstanding share options under the Scheme as at 31 December 2025 and 30 June 2025.

21. DISPOSAL OF A NON-WHOLLY OWNED SUBSIDIARY

During the six months ended 31 December 2024, the Group entered into a sale agreement to dispose Gabungan Jasapadu Sdn. Bhd. (“**Gabungan**”), a 50% non-wholly owned subsidiary of the Group which engages in the business of land-based machinery works and rental, to Mr. Toh Ang Poo (the “**Disposal A**”), who together with his spouse, held 50% shares of Gabungan before the Disposal A.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

21. DISPOSAL OF A NON-WHOLLY OWNED SUBSIDIARY (CONTINUED)

The net assets of Gabungan, at the date of disposal were as follows:

	RM'000
Property, plant and equipment	45
Deferred tax assets	4
Trade and other receivables	1,551
Tax recoverable	9
Cash and cash equivalents	202
Trade and other payables	(955)
Non-controlling interests	(428)
Net assets disposed of	428
Gain on disposal (note 6(c))	572
Total consideration	1,000
Satisfied by:	
Cash and cash equivalents	1,000
Total consideration transferred	1,000
Net cash inflows arising on disposal:	
Consideration received in cash and cash equivalents	1,000
Less: cash and cash equivalents disposed of	(202)
	798

There were no disposals of subsidiaries made during the six months ended 31 December 2025. The gain on disposal is included in the profit for the year as disclosed in note 6(c).

22. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the period ended 31 December 2025, the Company entered into a sale and purchase agreement with a vendor, a company established under the laws of the People's Republic of China (the "PRC") with limited liability (the "Vendor"), pursuant to which the Vendor has conditionally agreed to sell, and the Company (or its subsidiaries) has conditionally agreed to purchase 100% equity interest in Chengdu Jianfu Convenience Store Management Co., Ltd. (the "Chengdu Jianfu"), a company established under the laws of the PRC with limited liability, at a total consideration of RMB120 million (equivalent to approximately HK\$134.8 million). Upon completion of the acquisition of Chengdu Jianfu pursuant to the terms and conditions of the sale and purchase agreement, Chengdu Jianfu will become an indirect wholly-owned subsidiary of the Company and the financial results, assets and liabilities of Chengdu Jianfu will be consolidated into the financial statements of the Group.