



NESTCON BERHAD

**[Registration No. 202001008684 (1365004-W)]
(Incorporated in Malaysia)**

**Unaudited Interim Financial Report
For the First Quarter Ended
31 March 2026**

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Revenue		191,008	169,787	191,008	169,787
Cost of sales		(175,691)	(159,854)	(175,691)	(159,854)
Gross profit		15,317	9,933	15,317	9,933
Other income		718	709	718	709
Administrative expenses		(4,579)	(4,761)	(4,579)	(4,761)
Other operating expenses		(3)	(109)	(3)	(109)
Profit from operations		11,453	5,772	11,453	5,772
Finance costs		(2,644)	(3,749)	(2,644)	(3,749)
Profit before tax	B12	8,809	2,023	8,809	2,023
Tax expense	B5	(2,222)	(307)	(2,222)	(307)
Profit for the financial period, representing total comprehensive income for the financial period		6,587	1,716	6,587	1,716
Profit/(Loss) for the financial period, representing total comprehensive income/(loss) attributable to:					
Owners of the Company		6,455	2,740	6,455	2,740
Non-controlling interests		132	(1,024)	132	(1,024)
		6,587	1,716	6,587	1,716
Earnings per ordinary share attributable to owners of the Company:					
Basic/Diluted ⁽²⁾ (sen)	B11	0.83	0.38	0.83	0.38

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾ (CONTINUED)**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic and diluted earnings per share are calculated based on the Company's share capital of 779,024,000 ordinary shares (31 March 2025: 714,704,000 ordinary shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION⁽¹⁾

	Note	Unaudited As at 31.03.2026 RM'000	Audited As at 31.12.2025 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		165,265	158,039
Investment properties		1,661	1,671
Goodwill arising from consolidation		1,075	1,075
Deferred tax assets		1,331	1,719
		169,332	162,504
Current Assets			
Inventories		6,306	587
Trade receivables		303,484	246,995
Other receivables, deposits and prepayments		33,325	36,945
Contract assets		198,030	228,431
Tax recoverable		2,764	2,553
Fixed deposits with licensed banks		30,348	34,281
Cash and bank balances		107,738	101,044
		681,995	650,836
TOTAL ASSETS		851,327	813,340
EQUITY AND LIABILITIES			
Equity			
Share capital		144,733	138,403
Merger reserves		(47,544)	(47,544)
Retained earnings		87,514	81,059
		184,703	171,918
Non-controlling interests		2,476	2,284
Total Equity		187,179	174,202
Non-Current Liabilities			
Bank borrowings	B8	45,987	36,240
Lease liabilities		37,347	33,977
Deferred tax liabilities		1,569	1,910
		84,903	72,127
Current Liabilities			
Trade payables		348,359	351,296
Other payables and accruals		15,000	23,996
Contract liabilities		55,676	25,092
Bank borrowings	B8	141,634	149,179
Lease liabilities		16,027	16,084
Tax liabilities		2,549	1,364
		579,245	567,011
Total Liabilities		664,148	639,138
TOTAL EQUITY AND LIABILITIES		851,327	813,340
NET ASSETS PER SHARE (RM)⁽²⁾		0.24	0.23

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION⁽¹⁾
(CONTINUED)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares as at 31 March 2026 of 779,024,000 shares (31 December 2025: 756,204,000 shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY⁽¹⁾

	Attributable to Owners of the Company			Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
	Non-distributable	Distributable				
	Share capital RM'000	Merger reserves RM'000	Retained earnings RM'000			
Balance as at 1 January 2025 (Audited)	126,482	(47,544)	69,570	148,508	1,838	150,346
Issuance of shares in subsidiary companies to non-controlling interests	-	-	-	-	100	100
Profit/(Loss) for the financial period, representing total comprehensive income/(loss) for the financial period	-	-	2,740	2,740	(1,024)	1,716
Balance as at 31 March 2025 (Unaudited)	126,482	(47,544)	72,310	151,248	914	152,162

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY⁽¹⁾ (CONTINUED)

	Attributable to Owners of the Company		Total RM'000	Non- controlling interests RM'000	Total Equity RM'000	
	Non-distributable	Distributable				
	Share capital RM'000	Merger reserves RM'000	Retained earnings RM'000			
Balance as at 1 January 2026 (Audited)	138,403	(47,544)	81,059	171,918	2,284	174,202
Contributions by and distribution to Owners of the Company						
- Issuance of shares	6,390	-	-	6,390	-	6,390
- Share issue expenses	(60)	-	-	(60)	-	(60)
	6,330	-	-	6,330	-	6,330
Issuance of shares in subsidiary companies to non-controlling interests	-	-	-	-	60	60
Profit for the financial period, representing total comprehensive income for the financial period	-	-	6,455	6,455	132	6,587
Balance as at 31 March 2026 (Unaudited)	144,733	(47,544)	87,514	184,703	2,476	187,179

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾

	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Cash Flows From Operating Activities		
Profit before tax	8,809	2,023
Adjustments for:		
Accretion of interest on other financial assets	-	(6)
Depreciation of property, plant and equipment	5,336	4,889
Depreciation of investment properties	10	10
Dividend income from other financial assets	-	(5)
Fair value gain from other financial assets	-	(67)
Gain on disposal of property, plant and equipment	(181)	(45)
Gain on derecognition of lease upon termination	(37)	-
Loss on unrealised foreign exchange	74	-
Interest expenses	2,644	3,749
Interest income	(443)	(434)
Operating profit before changes in working capital	16,212	10,114
Increase in inventories	(5,719)	(485)
(Increase)/Decrease in trade and other receivables	(52,869)	1,773
Decrease in trade and other payables	(14,416)	(25,525)
Decrease in contract assets	30,401	21,791
Increase/(Decrease) in contract liabilities	30,584	(5,008)
Cash generated from operations	4,193	2,660
Interest received	342	194
Tax paid	(1,723)	(691)
Tax refunded	522	-
Net cash from operating activities	3,334	2,163
Cash Flows From Investing Activities		
Dividend income from other financial assets	-	5
Addition of other financial assets	-	67
Proceeds from disposal of property, plant and equipment	1,120	140
Purchase of property, plant and equipment	(1,534)	(2,249)
Net cash used in investing activities	(414)	(2,037)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾ (CONTINUED)

	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Cash Flows From Financing Activities		
Interest paid	(2,644)	(3,749)
Interest received	101	240
Proceeds from issuance of shares, net of share issue expenses	6,330	-
Subscription of shares by non-controlling interests	60	100
Uplift of pledged fixed deposits with licensed banks	3,933	6,211
Movement in restricted cash at licensed banks	(66)	(2,029)
Repayment of lease liabilities	(4,888)	(1,814)
Net drawdown of bank borrowings	3,899	10,764
Net cash from financing activities	6,725	9,723
Net increase in cash and cash equivalents	9,645	9,849
Cash and cash equivalents at beginning of the financial period	33,938	21,601
Cash and cash equivalents at end of the financial period	43,583	31,450
Cash and cash equivalents comprise of:		
Investment in short-term funds	-	8,484
Fixed deposits with licensed banks	30,348	52,623
Cash and bank balances	107,738	105,351
Bank overdrafts	(28,597)	(47,745)
	109,489	118,713
Less: Non-cash and cash equivalents		
Pledged fixed deposits with licensed banks	(30,348)	(52,623)
Restricted cash at licensed banks	(35,558)	(34,640)
	43,583	31,450

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**A1. Basis of Preparation**

The interim financial report of Nestcon Berhad (“**Nestcon**” or “**the Company**”) and its subsidiaries (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of MFRS No. 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Group’s audited financial statements for the financial year ended 31 December 2025, except for the adoption of the following new MFRSs and/or IC interpretations (including The Consequential Amendments) which became effective for the financial year beginning on or after 1 January 2026:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments to MFRSs <i>Annual Improvements to MFRS Accounting Standards-Volume 11</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 121 <i>Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced

The adoption of the abovementioned accounting standards, amendments and interpretations, where applicable, do not have any material impact to the unaudited condensed consolidated financial statements of the Group upon their initial application.

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2025.

A4. Seasonal or Cyclical Factors

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5. Items or Incidence of an Unusual Nature

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

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)**A6. Material Changes in Accounting Estimates**

There were no material changes in accounting estimates during the current financial quarter under review.

A7. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

On 28 January 2026, 22,820,000 Placement Shares were listed and quoted on the ACE Market of Bursa Securities, representing the final tranche of the private placement undertaken pursuant to the second extension of time granted by Bursa Securities vide its letter dated 29 July 2025.

A8. Dividends Paid

There were no dividends paid during the current financial quarter under review.

A9. Segment Information

The Group’s operating and reportable segments comprised of:

- (a) the provision of construction services for building and infrastructure; and
- (b) renewable energy activities and maintenance works.

The Group operates predominantly in Malaysia and hence, no geographical segment presented.

Unaudited Current Quarter / Year-to-date 31.03.2026	Building and Infrastructure RM’000	Renewable Energy RM’000	Total RM’000
Revenue	186,815	4,193	191,008
Results			
Depreciation of property, plant and equipment			(5,336)
Depreciation of investment properties			(10)
Finance costs			(2,644)
Interest income			443
Unallocated income			275
Unallocated expenses			(174,927)
Profit before tax			8,809
Tax expense			(2,222)
Profit after tax			6,587

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)**A9. Segment Information (Continued)**

Unaudited Preceding Year Corresponding Quarter / Year-to-date 31.03.2025	Building and Infrastructure RM’000	Renewable Energy RM’000	Total RM’000
Revenue	165,106	4,681	169,787
Results			
Depreciation of property, plant and equipment			(4,889)
Depreciation of investment properties			(10)
Finance costs			(3,749)
Interest income			434
Unallocated income			275
Unallocated expenses			(159,825)
Profit before tax			2,023
Tax expense			(307)
Profit after tax			1,716

A10. Valuation of Property, Plant and Equipment and Investment Properties

There were no valuation of property, plant and equipment and investment properties during the current financial quarter under review.

A11. Material Subsequent Events

Save as disclosed in Notes B6 and B9, there were no material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in The Composition of The Group

There were no material changes in the composition of the Group as at the date of this interim financial report.

A13. Contingent Liabilities

Save as disclosed below, there were no other contingent liabilities as at 31 March 2026.

	Unaudited As at 31.03.2026 RM’000	Audited As at 31.12.2025 RM’000
Performance guarantee for construction contract customers	97,580	79,830
Bank guarantee given by licensed banks as security for performance bond	53,205	50,956

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)**A14. Capital Commitments**

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred as at the end of the financial period.

	Unaudited As at 31.03.2026 RM’000	Audited As at 31.12.2025 RM’000
Joint Development Agreement		
Contracted but not provided for	-	10,000
Property, plant and equipment		
Approved and contracted for	32,460	24,855

A15. Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter 31.03.2026 RM’000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM’000	Unaudited Current Year-to-date 31.03.2026 RM’000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM’000
Lease payment charged by Directors	29	29	29	29

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance**

For the current financial quarter ended 31 March 2026 (“**1Q2026**”), the Group recorded revenue of RM191.01 million, compared to RM169.79 million in the preceding year’s corresponding quarter ended 31 March 2025 (“**1Q2025**”). Revenue for 1Q2026 was mainly contributed by the building division at RM102.63 million, followed by the civil engineering and infrastructure division at RM84.19 million, and the renewable energy division at RM4.19 million.

The Group’s profit before tax (“**PBT**”) improved to RM8.81 million, compared with RM2.02 million in 1Q2025. This was mainly attributable to a significantly higher level of construction activities from the civil engineering and infrastructure division, following the completion of lower margin contracts in the financial year 2025. In addition, lower finance costs contributed to improved profitability during the financial quarter.

B2. Comparison with Immediate Preceding Quarter’s Results

	INDIVIDUAL QUARTER		VARIANCE	
	Unaudited Current Quarter 31.03.2026 RM’000	Unaudited Preceding Quarter 31.12.2025 RM’000	RM’000	%
Revenue	191,008	208,413	(17,405)	(8.35)
PBT	8,809	9,341	(532)	(5.70)

The Group recorded revenue of RM191.01 million in 1Q2026, representing a decrease of RM17.40 million or 8.35% compared to RM208.41 million in the immediate preceding quarter ended 31 December 2025 (“**4Q2025**”). The decrease was mainly due to the completion of several construction contracts in the financial year 2025 while newly secured contracts were still in the early stages of construction.

The Group registered a PBT of RM8.81 million in 1Q2026 as compared to RM9.34 million in 4Q2025, a slight decrease of RM0.53 million in 1Q2026.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
B3. Prospects and Outlook

Moving into 2026, the global economic landscape continues to navigate heightened trade tensions arising from US tariff policies, escalating conflicts in the Middle East, and broader geopolitical uncertainties. Nevertheless, Malaysia's domestic fundamentals remain resilient, with the Economic Outlook 2026, published by the Ministry of Finance, projecting GDP growth of 4.0% to 4.5% with the construction sector expected to expand by 6.1% in 2026. This growth trajectory is expected to be supported by the sustained implementation of major infrastructure projects and the government's continued focus on development expenditure.

The residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives under the Thirteenth Malaysia Plan, alongside new private sector developments. This presents opportunities for the Group to strengthen the Group's portfolio in the residential construction segment.

Nonetheless, the operating environment remains challenging due to higher construction and transportation costs, as well as the expanded service tax regime implemented on 1 July 2025, which may impact project costs, cash flow and margins, particularly for fixed-price contracts. The Group has implemented mitigation measures, including incorporating tax pass-through and price escalation clauses in new contracts, strengthening cash-flow management, and leveraging available exemptions and relief measures.

B4. Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5. Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
In respect of current period:				
Tax expense ⁽¹⁾	2,175	952	2,175	952
Deferred tax	47	(645)	47	(645)
Tax expense	2,222	307	2,222	307
Effective tax rate ⁽²⁾ (%)	25.22	15.18	25.22	15.18
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

(1) Income tax is recognised based on management's estimate.

(2) The effective tax rate of the Group was higher than the statutory tax rate primarily due to non-deductible expenses for tax purposes and derecognition of deferred tax asset which was recognised previously.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B6. Status of Corporate Proposals**

Saved as disclosed below, there were no corporate proposals announced but not completed as at the date of this interim financial report.

Proposed Joint Development and Proposed Diversification ("**Proposals**")

On 3 March 2025, the Company announced to undertake the Proposals. On 4 June 2025, the Company announced that there would be revisions to the details of the Proposed Joint Development, and that additional time was required to conduct further due diligence on the Development Lands under the Proposed Joint Development, which was inter-conditional with the Proposed Diversification.

On 13 March 2026, the Group and the proprietor mutually agreed to terminate the Joint Development Agreement. Consequently, the Proposals were aborted.

Proposed Acquisition and Proposed Diversification ("**Proposals 2026**")

On 10 April 2026, the Company announced to undertake the Proposals 2026. Nestcon Iskandar Puteri Sdn Bhd ("**Nestcon Iskandar**"), an indirect 70%-owned subsidiary of the Company had entered into a conditional sale and purchase agreement with KLG Iskandar Puteri Sdn Bhd to acquire three (3) parcels of land all located in Mukim Pulai, Daerah Johor Bahru, Johor Darul Ta'zim, measuring in aggregate approximately 33,782 square metres for a total purchase consideration of RM95.00 million ("**Proposed Acquisition**").

Upon the completion of the Proposed Acquisition, Nestcon Iskandar intends to undertake a mixed commercial and residential development comprising serviced apartments and retail units on the said lands. This development represents a diversification of the Group's existing business to include property development ("**Proposed Diversification**").

The Proposals 2026 are subject to the approvals being obtained from the shareholders of the Company at an EGM to be convened and any other relevant authorities and/or parties, if required.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B7. Utilisation of Proceeds****Private Placement**

As at 31 March 2026, the status of the utilisation of proceeds arising from the Private Placement which was completed on 28 January 2026, is as follows:

Details of Utilisation	Proceeds Raised RM'000	Actual Utilisation RM'000	Unutilised Amount RM'000	Intended Timeframe for the Utilisation Upon Placement of Shares
Repayment of bank borrowings	20,733	(20,733)	-	Within 6 months
Estimated expenses for the Proposed Private Placement	195	(195)	-	Within 1 month
Total	20,928	(20,928)	-	

The utilisation of proceeds disclosed above should be read in conjunction with the announcement of the Proposed Private Placement dated 12 July 2024.

B8. Bank Borrowings

	Unaudited As at 31.03.2026 RM'000	Audited As at 31.12.2025 RM'000
Current		
Term loans	8,563	9,109
Bank overdrafts	28,597	31,614
Factoring payable	10,776	2,261
Invoice financing	56,210	68,774
Bankers' acceptance	-	1,669
Revolving credits	37,488	35,752
	141,634	149,179
Non-current		
Term loans	45,987	36,240

The bank borrowings are secured and denominated in Ringgit Malaysia.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B9. Material Litigation

Save as disclosed below, there were no material litigations involving the Group as at the date of this interim financial report.

Nestcon Infra Sdn Bhd ("**Nestcon Infra**" or "**Defendant**"), a wholly-owned subsidiary of the Company, was served on 2 August 2024 with a copy of the sealed Writ and Statement of Claim both dated 25 July 2024 filed by Ong Nai Loo ("**Plaintiff**"), as one of the defendants, through a firm of lawyers acting on his behalf.

According to the Statement of Claim, the Plaintiff's complaint was that around 1 October 2018, Nestcon Infra, in the course of completing its project, allegedly trespassed on the Plaintiff's land with machineries to carry out earthworks, thereby depriving the Plaintiff of the use and enjoyment of his land. The Plaintiff seeks against Nestcon Infra and other defendant for injunction, general damages, exemplary or aggravated damages, indemnity and special damages of RM1,825,288.20.

On 7 April 2026, Nestcon Infra amicably settled the legal suit without any admission of liability. Pursuant thereto, the legal suit was withdrawn against Nestcon Infra without liberty and without any order as to costs.

B10. Dividend

No dividend has been declared or recommended by the Board of Directors for the current financial quarter under review.

B11. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Profit attributable to the Owners of the Company	6,455	2,740	6,455	2,740
Number of ordinary shares (in thousand)	779,024	714,704	779,024	714,704
Basic ⁽¹⁾ /Diluted ⁽²⁾ EPS (sen)	0.83	0.38	0.83	0.38

Notes:

(1) Basic earnings per share is calculated based on the Company's share capital of 779,024,000 ordinary shares (31 March 2025: 714,704,000 ordinary shares).

(2) Diluted earnings per share of the Company for the current financial quarter and financial year-to-date ended 31 March 2026 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B12. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Depreciation of property, plant and equipment	5,336	4,889	5,336	4,889
Depreciation of investment properties	10	10	10	10
Rental of machineries	6,922	8,833	6,922	8,833
Rental of premises	26	33	26	33
Interest expenses	2,644	3,749	2,644	3,749
Accretion of interest on other financial assets	-	(6)	-	(6)
Dividend income from other financial assets	-	(5)	-	(5)
Fair value gain from other financial assets	-	(67)	-	(67)
Gain on derecognition of lease upon termination	(37)	-	(37)	-
Gain on disposal of property, plant and equipment	(181)	(45)	(181)	(45)
Interest income	(443)	(434)	(443)	(434)
(Gain)/Loss on foreign exchange				
- realised	(29)	(11)	(29)	(11)
- unrealised	74	-	74	-

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 28 May 2026.

**BY ORDER OF THE BOARD
NESTCON BERHAD
28 MAY 2026**