



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025

(The figures are unaudited)

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 Months Ended	3 Months Ended	Variance %	3 Months Ended	3 Months Ended	Variance %
	31/08/2025 RM'000	31/08/2024 RM'000		31/08/2025 RM'000	31/08/2024 RM'000	
Revenue	297,217	148,470	>100	297,217	148,470	>100
Cost of sales	(264,892)	(130,750)	>100	(264,892)	(130,750)	>100
Gross profit	32,325	17,720	82	32,325	17,720	82
Other income	2,190	3,235	-32	2,190	3,235	-32
Administrative expenses	(6,277)	(6,135)	2	(6,277)	(6,135)	2
Depreciation	(4,047)	(4,492)	-10	(4,047)	(4,492)	-10
Operating expenses	(3,794)	(3,805)	0	(3,794)	(3,805)	0
Other expenses	(1,333)	(2,975)	-55	(1,333)	(2,975)	-55
Reversal of impairment losses, net	(7)	3,622	>100	(7)	3,622	>100
Finance costs	(1,642)	(1,519)	8	(1,642)	(1,519)	8
Share of results of joint ventures	157	3,458	-95	157	3,458	-95
Profit before tax	17,572	9,109	93	17,572	9,109	93
Income tax expense	(5,400)	(3,427)	58	(5,400)	(3,427)	58
Net profit for the financial period	12,172	5,682	>100	12,172	5,682	>100
Other comprehensive income:						
Actuarial gain on defined benefit obligation	2	-	>100	2	-	>100
Foreign currency translation	(1,205)	(2,068)	-42	(1,205)	(2,068)	-42
Total comprehensive income for the financial period	10,969	3,614	>100	10,969	3,614	>100
Net profit attributable to:						
Equity holders of the Company	13,535	6,224	>100	13,535	6,224	>100
Non-controlling interests	(1,363)	(542)	>100	(1,363)	(542)	>100
	12,172	5,682	>100	12,172	5,682	>100
Total comprehensive income attributable to:						
Equity holders of the Company	12,451	3,770	>100	12,451	3,770	>100
Non-controlling interests	(1,482)	(156)	>100	(1,482)	(156)	>100
	10,969	3,614	>100	10,969	3,614	>100
Earnings per share attributable to equity holders of the Company:						
- Basic (sen)	1.69	0.85	98	1.69	0.85	98
- Diluted (sen)	1.69	0.85	98	1.69	0.85	98

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2025.



GADANG HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2025

	Unaudited	Audited
	As At 31/08/2025 RM'000	As At 31/05/2025 RM'000
ASSETS		
Non-current assets		
Investment in joint ventures	3,734	3,577
Intangible assets	18,255	19,303
Property, plant and equipment		
- Power plants	135,123	138,435
- other property, plant and equipment	18,434	18,767
	153,557	157,202
Right-of-use assets	4,188	4,188
Investment properties	15,138	15,188
Trade and non-trade receivables	5,950	5,970
Other investments	1,087	1,789
Goodwill on consolidation	5,421	5,527
Deferred tax assets	27,713	27,708
	235,043	240,452
Current assets		
Inventories	379,892	400,996
Contract costs	6,971	8,606
Trade and non-trade receivables	189,300	124,398
Contract assets	261,633	305,127
Current tax assets	7,483	7,422
Short term funds	85,208	67,652
Deposits with licensed banks	86,781	59,830
Cash and bank balances	154,753	135,915
	1,172,021	1,109,946
TOTAL ASSETS	1,407,064	1,350,398



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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2025 (Continued)

	Unaudited As At 31/08/2025 RM'000	Audited As At 31/05/2025 RM'000
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	412,091	412,091
Reserves	416,902	404,451
	828,993	816,542
Non-controlling interests	(13,266)	(11,784)
Total equity	815,727	804,758
Non-current liabilities		
Bank borrowings	76,677	76,242
Deferred tax liabilities	2,796	2,918
Defined benefit obligations	1,581	1,724
Non-trade payables	8,617	8,617
	89,671	89,501
Current liabilities		
Trade and non-trade payables	364,043	289,034
Contract liabilities	34,257	40,818
Bank borrowings	98,209	124,090
Current tax liabilities	5,157	2,197
	501,666	456,139
Total liabilities	591,337	545,640
TOTAL EQUITY AND LIABILITIES	1,407,064	1,350,398
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.04	1.02

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2025.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025**

(The figures are unaudited)

	3 Months Ended 31/08/2025 RM'000	3 Months Ended 31/08/2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax:	17,572	9,109
Adjustments for:		
Accretion of interest on trade and non-trade receivables	(42)	-
Deposits written off	7	-
Depreciation of:		
- property, plant and equipment		
- power plants	2,015	2,199
- other property, plant and equipment	980	1,260
- intangible assets	1,202	1,328
- investment properties	51	38
- right-of-use assets	-	13
Fair value gain on quoted investments	180	(180)
Finance costs	2,291	2,343
Net loss/(gain) on disposal of:		
- property, plant and equipment		
- other property, plant and equipment	(441)	(129)
- investment properties	-	(177)
Income received from short term funds	(32)	(18)
Interest income	(692)	(530)
Net unrealised loss on foreign exchange	1,189	2,931
Reversal of impairment on:		
- trade and non-trade receivables	-	(3,622)
- investment in joint venture	-	(510)
Share of results of joint ventures	(157)	(3,458)
Operating profit before working capital changes	24,123	10,597
Changes in working capital:		
Contract assets	43,494	(22,391)
Contract liabilities	(6,562)	(72)
Contract costs	1,636	(1,652)
Inventories	21,104	(1,512)
Payables	75,009	4,997
Receivables	(64,326)	16,457
Cash generated from operations	94,478	6,424
Employee benefit paid	(109)	-
Income tax paid	(2,748)	(2,850)
Income tax refund	106	79
Net Operating Cash Flows	91,727	3,653



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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2025 (Continued)**

(The figures are unaudited)

	3 Months Ended 31/08/2025 RM'000	3 Months Ended 31/08/2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
- property, plant and equipment		
- power plants	(3,647)	(5,407)
- other property, plant and equipment	(846)	(93)
- intangible assets	(345)	-
Proceeds from disposal of:		
- property, plant and equipment		
- other property, plant and equipment	629	61
- investment properties	-	399
Income received from short term funds	32	18
Interest received	692	530
Fixed deposits pledged as security values	(7,155)	(1,817)
Net Investing Cash Flows	(10,640)	(6,309)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of:		
- bank borrowings	3,442	20,228
Finance costs	(2,291)	(2,343)
Repayment of:		
- bank borrowings	(27,778)	(18,081)
- hire purchase	(753)	(1,055)
Net Financing Cash Flows	(27,380)	(1,251)
Net change in cash and cash equivalents	53,707	(3,907)
Effect of exchange rate changes	2,483	(1,306)
Cash and cash equivalents at the beginning of the financial period	224,082	148,970
Cash and cash equivalents at the end of the financial period	280,272	143,757
Analysis of Cash and Cash Equivalents:-		
Cash and bank balances	154,753	94,107
Short term funds	85,208	30,438
Deposits with licensed banks	86,781	43,463
	326,742	168,008
Less: Fixed deposits pledged as security values	(46,446)	(24,251)
Less: Cash pledged as security	(24)	-
Total	280,272	143,757

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2025.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared according to Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2025. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2025.

A2. CHANGES IN ACCOUNTING POLICIES

- (i) The accounting policies adopted by the Group in the quarterly financial statements are consistent with those adopted in the financial statements for the financial year ended 31 May 2025, except for the changes arising from the adoption of Amendments/Improvements to MFRS as follows:

Standard	Title
Amendments to MFRS 121	Lack of Exchangeability

The adoption of these Amendments/Improvements to MFRSs does not have any material impact on the financial statement of the Group.

- (ii) As of the date of this report, the following Amendments to Published Standards have been issued by the MASB but are not yet effective and have not been adopted early.

- (a) Effective for financial years beginning on or after:

Standard	Effective Date
Amendments to MFRS 9 and MFRS 7 Classification and Measurement of Financial Instruments	1 Jan 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 Jan 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 Jan 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 Jan 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 Jan 2027



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

- (ii) As of the date of this report, the following Amendments to Published Standards have been issued by the MASB but are not yet effective and have not been adopted early. (Continued)
- (b) The effective date of these Amendments to Published Standards has been deferred and is yet to be announced

Standard	Title
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Based on the preliminary assessment of the effects of the above Amendments to Published Standards, no material impact is expected on the financial statements of the Group.

A3. AUDIT REPORT

The auditors' report on the Group's financial statements for the financial year ended 31 May 2025 was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. UNUSUAL SIGNIFICANT ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows of the Group for the current quarter under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that had any material effect on the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

There were no cancellations, repurchases, resales, or repayments of debt and equity securities for the current quarter under review.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A8. DIVIDEND PAID

There was no payment of dividends in the current quarter.

A9. SEGMENTAL REPORTING

3 Months ended 31 August 2025 (Current Financial Period)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	199,987	89,571	7,659	-	297,217
Results					
Segment results	3,719	18,320	1,134	(4,116)	19,057
Finance costs	(58)	(1,101)	(454)	(29)	(1,642)
Share of results of joint ventures	157	-	-	-	157
Profit/(Loss) before tax	3,818	17,219	680	(4,145)	17,572
Income tax expense					(5,400)
Profit for the financial period					12,172

3 Months ended 31 August 2024 (Previous Financial Period)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	82,606	56,707	9,157	-	148,470
Results					
Segment results	(1,580)	7,830	1,796	(876)	7,170
Finance costs	(319)	(519)	(599)	(82)	(1,519)
Share of results of joint ventures	3,458	-	-	-	3,458
Profit/(Loss) before tax	1,559	7,311	1,197	(958)	9,109
Income tax expense					(3,427)
Profit for the financial period					5,682

A10. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment, and concession assets have been brought forward without amendment from the audited financial statements for the financial year ended 31 May 2025.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A11. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD AND SUBSEQUENT EVENTS

There were no significant events during the financial period and subsequent to the end of the quarter under review, except for the followings:-

- (a) On 6 June 2025, the Company and its wholly-owned subsidiary, Hillstrand Development Sdn Bhd (“HDSB”), accepted a Letter of Mutual Termination from Cyberview Sdn Bhd (“CSB”) and CSB Land Sdn Bhd (“CSBL”) to mutually terminate the Joint Development Agreement dated 23 May 2014 with respect to the undeveloped Phase 4 of the project on a parcel of freehold land identified as HS(D) 33156, PT No. 47223, situated in the Mukim of Dengkil, District of Sepang, Selangor Darul Ehsan, and to apportion the shared common costs accordingly.

HDSB has incurred approximately RM40 million in development expenditure for the undeveloped Phase 4. Following negotiations, both parties reached an agreement that CSB/CSBL’s portion of the shared common costs payable to HDSB shall be RM21.0 million only. HDSB charged out the remaining common costs of approximately RM19.0 million for the financial year ended 31 May 2025.

HDSB anticipates that the mutual termination agreement will be finalised in the fourth quarter of the calendar year 2025.

- (b) On 20 June 2025, the Company’s wholly-owned subsidiary, Gadang Engineering (M) Sdn Bhd, accepted a Letter of Award for the sum of RM92.5 million from AFA Construction and Engineering Sdn Bhd, undertaking to construct and complete the earthwork and other associated works for Package 2A: CH39000-CH47580 in the project known as “Proposed Widening of Kuala Lumpur - Karak Highway From KM19.20 To KM39.00 (Section 1) and From KM39.00 To KM61.50 (Section 2)”.
- (c) On 16 July 2025, the Company’s wholly-owned subsidiary, Katah Realty Sdn Bhd (“KRSB”), commenced a members’ voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016, as KRSB has ceased its business operations and is currently dormant.

KRSB was incorporated on 8 December 1984 with an issued and paid-up share capital of RM2. The total cost of investment in KRSB was RM910,000. The winding-up will not have any material effect on the net assets per share or earnings per share of the Group.

- (d) On 22 September 2025, GLP Resources (M) Sdn Bhd and Era Berkat Sdn Bhd, both dormant indirect wholly-owned subsidiaries of the Company were struck off from the register of the Companies Commission of Malaysia pursuant to Section 308(4) of the Companies Act.
- (e) On 1 October 2025, the consortium comprising Gadang Engineering (M) Sdn Bhd (“Gadang”), a wholly-owned subsidiary of the Company, and JS Solar Sdn Bhd (“JS Solar”) (collectively, the “Gadang-JS Solar Consortium or the Consortium”), accepted a Letter of Acceptance from Tenaga Aspirasi Sdn Bhd, an indirect 60%-owned subsidiary of the Company, to undertake the Engineering, Procurement, Construction and Commissioning (“EPCC”) of a 15 MWa.c. Large-Scale Solar Photovoltaic (“LSSPV”) Power Plant project in Tawau, Sabah (“the Contract”).



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the current quarter under review.

A13. CHANGES IN CONTINGENT LIABILITIES

There are no contingent liabilities for the Group as of the date of this report.

A14. CAPITAL COMMITMENTS

There are no material capital commitments as of the date of this report.

A15. PROVISION OF FINANCIAL ASSISTANCE

Pursuant to paragraph 8.23(1)(ii) of Bursa Malaysia Securities Berhad’s Listing Requirements, the financial assistance provided by the Group is as follows:

	3 Months Ended 31/08/2025 RM'000
Purchase of construction materials in the ordinary course of business of the Company on behalf of sub-contractors	16,049
Advances to sub-contractors, non-interest bearing	288
	<hr/> 16,337 <hr/>

The financial assistance provided does not have any material effect on the earnings, net assets and liquidity of the Group.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW

REVIEW OF PERFORMANCE AGAINST PREVIOUS YEAR'S CORRESPONDING PERIOD

During the current quarter, the Group recorded revenue of RM297.22 million, compared to RM148.47 million in the corresponding quarter of the preceding year. The profit before tax increased to RM17.57 million compared to RM9.11 million in the corresponding quarter of the preceding year, mainly due to higher contribution from both the Construction and the Property Divisions.

Tabulated below are the unaudited divisional contributions: -

	INDIVIDUAL QUARTER			CUMULATIVE YEAR		
	3 Months Ended	3 Months Ended	Variance	3 Months Ended	3 Months Ended	Variance
	31/08/2025	31/08/2024		31/08/2025	31/08/2024	
	RM'000	RM'000	%	RM'000	RM'000	%
REVENUE						
Construction Division	199,987	82,606	>100	199,987	82,606	>100
Property Division	89,571	56,707	58	89,571	56,707	58
Utilities Division	7,659	9,157	-16	7,659	9,157	-16
Investment Holding	-	-	-	-	-	-
	<u>297,217</u>	<u>148,470</u>	<u>100</u>	<u>297,217</u>	<u>148,470</u>	<u>100</u>
PROFIT BEFORE TAX						
Construction Division	3,818	1,559	>100	3,818	1,559	>100
Property Division	17,219	7,311	>100	17,219	7,311	>100
Utilities Division	680	1,197	-43	680	1,197	-43
Investment Holding	(4,145)	(958)	>100	(4,145)	(958)	>100
	<u>17,572</u>	<u>9,109</u>	<u>93</u>	<u>17,572</u>	<u>9,109</u>	<u>93</u>

Construction Division

Revenue for the current quarter increased to RM199.99 million compared to RM82.61 million in the corresponding quarter of the preceding year. The Division's profit before tax increased to RM3.82 million compared to RM1.56 million in the corresponding quarter of the preceding year, mainly due to higher work progress from certain on-going projects.

Property Division

In the current quarter, revenue increased to RM89.57 million compared to RM56.71 million in the corresponding quarter of the preceding year. In line with that, profit before tax increased to RM17.22 million compared to RM7.31 million in the preceding year's corresponding quarter. This was mainly due to higher work progress from the current development projects.

Utilities Division

Revenue for the current quarter decreased to RM7.66 million compared to RM9.16 million in the corresponding quarter of the preceding year. Accordingly, profit before tax also decreased to RM0.68 million compared to RM1.2 million in the corresponding quarter of the preceding year, mainly due to lower contribution from the power plant in Indonesia.



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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B2. MATERIAL CHANGES IN THE CURRENT QUARTER'S RESULT COMPARED TO THE PRECEDING QUARTER

	Current Quarter 31/08/2025 RM'000	Preceding Quarter 31/5/2025 RM'000	Variance %
Revenue	297,217	200,977	48
Operating profit/(loss)	23,261	(8,032)	>100
Profit/(Loss) before interest and tax	19,214	(11,975)	>100
Profit/(Loss) before tax	17,572	(14,565)	>100
Profit/(Loss) after tax	12,172	(12,738)	>100
Profit/(Loss) attributable to equity holders of the Company	<u>13,535</u>	<u>(11,718)</u>	>100

The Group's revenue increased to RM297.22 million in the current quarter compared to RM200.98 million in the preceding quarter. This increase was mainly due to higher construction work progress on certain construction projects and higher progress on current development projects. Correspondingly, the Group recorded a profit before tax of RM17.57 million in the current quarter compared to a loss before tax of RM14.57 million in the preceding quarter, mainly due to lower contribution from the Construction Division and a provision for additional costs of approximately RM19.0 million arising from the mutual termination of a Joint Development Agreement by the Property Division in the preceding quarter.



GADANG HOLDINGS BERHAD

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INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B3. BUSINESS PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MAY 2026

The Construction Division will maintain its focus on the execution of on-going projects, while actively pursuing new opportunities in the infrastructure, renewable energy, and data centre sectors to further expand its order book. Looking ahead, while supported by an outstanding order book of approximately RM646.0 million as of the reporting date, the Division remains cautious amid on-going business uncertainties arising from geopolitical developments and global trade tensions.

The Property Division continues to face persistent challenges amidst an uncertain property market outlook. A significant number of affordable housing units remain unsold, particularly in less attractive locations or where pricing is misaligned with household income levels. Additionally, stringent loan approval processes and difficulties in buyer qualification continue to hamper sales. The industry is also grappling with rising construction and labour costs, compounded by the reinstatement and expansion of the Sales and Services Tax (SST), which has further intensified cost pressures across the sector. In light of this, the Division will maintain its focus on targeted marketing efforts and strategic initiatives to support upcoming launches, particularly in key developments such as Kwasa Damansara and Gelang Patah Phase 3 in the coming quarters. Backed by total unbilled sales of RM216.3 million, the Division remains committed to strengthening its asset portfolio through selective land acquisitions and strategic joint ventures, ensuring long-term sustainability and growth.

Under the Utilities Division, the concession water treatment assets in Indonesia have been contributing a stable and sustainable recurring revenue to the Group. The construction of the 5.9 MWac solar photovoltaic plant in Tawau, Sabah, is nearing completion, and is expected to commence commercial operations by the third quarter of FYE 2026. In addition, the recent successful bid to develop a 15 MWac large-scale solar photovoltaic plant in Tawau, Sabah, marks another significant step in strengthening our renewable energy footprint. Together, these energy-generating facilities not only support the national green energy transition agenda, but are also expected to contribute positively to the Group's revenue in the coming years upon commissioning.

The Group will continue to closely monitor its operating environment through regular assessments to ensure prudent financial management and operational efficiency, particularly in anticipation of increasing compliance requirements and expected revision and expansion of the tax regime. Concurrently, the Group remains focused on replenishing its construction order book and expanding the landbank of its property division to support sustainable long-term growth and earnings of the Group.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 AUGUST 2025

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B4. PROFIT FORECAST AND PROFIT GUARANTEE

There are no profit forecasts or profit guarantees provided by the Group, and as such, this disclosure requirement is not applicable.

B5. TAXATION

Taxation comprises the following:

	3 Months Ended 31/08/2025 RM'000
Income tax expense:	
Malaysian income tax	(4,466)
Foreign income tax	(1,069)
Deferred tax	135
	<u>(5,400)</u>

The Group's effective tax rate (excluding the results of joint ventures, which are equity accounted net of tax) for the current quarter was higher than the statutory tax rate, mainly due to the non-recognition of deferred tax assets on unutilised tax losses of certain subsidiaries and certain expenses not deductible for tax purposes.

B6. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no pending corporate proposals.

B7. UTILISATION OF PROCEEDS

The status of utilisation of proceeds of RM22,569,891 raised from the Private Placement exercise is as follows:-

Purpose	Proceeds RM'000	Actual utilisation as at 31 August 2025 RM'000	Balance unutilised as at 31 August 2025 RM'000	Intended timeframe for utilisation from the date of listing
Construction projects expenditure	22,248	(9,100)	13,148	Within 24 months
Expenses relating to the Private Placement	322	(322)	-	Completed
	22,570	(9,422)	13,148	



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B8. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	As at 31/08/2025 RM'000	As at 31/05/2025 RM'000
(a) (i) Short Term Borrowings		
Revolving credit	83,971	101,774
Banker's acceptance	1,892	1,687
Term loans	10,304	18,232
Hire purchase payable	2,042	2,397
	<u>98,209</u>	<u>124,090</u>
(ii) Long Term Borrowings		
Term loans	74,503	74,220
Hire purchase payable	2,174	2,022
	<u>76,677</u>	<u>76,242</u>
Total Borrowings	<u>174,886</u>	<u>200,332</u>

(b) Foreign currency borrowings included in the above are as follows:

	As at 31/08/2025		As at 31/05/2025	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
Singapore Dollar	616	2,028	675	2,221
Indonesian Rupiah	66,964,645	17,143	70,962,565	18,521
		<u>19,171</u>		<u>20,742</u>

Bank borrowings for the current year to date decrease to RM174.89 million compared to RM200.33 million at the beginning of the financial year. The decrease was mainly due to repayment in the current period.

B9. MATERIAL LITIGATION

On 6 September 2024, the Company announced that its wholly-owned subsidiary, Gadang Engineering (M) Sdn Bhd ("GESB") ("2nd Defendant"), together with Usaha Pesona Sdn Bhd ("1st Defendant"), a wholly owned subsidiary of GESB, were served with a Writ of Summon and Statement of Claim ("the Claim") on 2 September 2024 and 3 September 2024, respectively, by its subcontractor, JF Foundation (M) Sdn Bhd ("the Plaintiff"), for bored piling works carried out in relation to the project "Rapid Transit System Link Antara Johor Bahru and Singapura ("RTS Link Project"), Package 4 - Bukit Chagar Station & Operation Control Centre (OCC) & Package 6 - Depot and Power Supply System".

The Plaintiff claimed against both the Defendants jointly and severally for the sum of RM9.77 million being payment for works done and other associated costs, primarily idling costs. The Defendants have filed their respective defenses into the court proceeding to dispute the Claim.



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B9. MATERIAL LITIGATION (Continued)

GESB has filed an application to strike out the Claim and the Plaintiff has filed an application for summary judgment (summary disposal on point of law) against GESB. The hearing for both of the applications has been rescheduled to 21 November 2025.

The case management for the main suit is fixed for case management on 21 November 2025.

B10. DIVIDEND

No interim dividend has been declared for the current quarter under review.

B11. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share has been calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE YEAR	
	3 Months Ended 31/08/2025	3 Months Ended 31/08/2024	3 Months Ended 31/08/2025	3 Months Ended 31/08/2024
Net profit attributable to ordinary equity holders of the Company (RM'000)	13,535	6,224	13,535	6,224
Weighted average number of ordinary shares in issue ('000)	800,867	728,061	800,867	728,061
Basic earnings per share (sen)	1.69	0.85	1.69	0.85

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share, as there are no potential ordinary shares in issue at the end of the financial period.



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B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The cost of sales included the following charges, made during the financial period:

	3 Months Ended 31/08/2025 RM'000
Depreciation	201
Finance costs	649
Rental of land and premises	310
	<hr/>

Total comprehensive income for the financial period was derived after charging/(crediting) the following items:

	3 Months Ended 31/08/2025 RM'000
Accretion of interest on trade receivables	(42)
Deposits written off	7
Depreciation	4,047
Fair value loss on quoted investments	180
Finance costs	1,642
Gain on disposal of:	
- property, plant and equipment	
- other property, plant and equipment	(441)
Income received from short term funds	(32)
Interest income	(692)
Net unrealised loss on foreign exchange	1,189
Lease expenses on short-term leases	113
	<hr/>

Other than as disclosed above, the Group does not have any material items that were recognised as profit/(loss) in the Condensed Consolidated Statements of Comprehensive Income.