



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Unaudited			Unaudited			Unaudited			Audited		
	INDIVIDUAL QUARTER			CUMULATIVE YEAR								
	3 Months Ended 31/05/2025 RM'000	3 Months Ended 31/05/2024 RM'000	Variance %	12 Months Ended 31/05/2025 RM'000	12 Months Ended 31/05/2024 RM'000	Variance %	12 Months Ended 31/05/2025 RM'000	12 Months Ended 31/05/2024 RM'000	Variance %			
Revenue	224,858	150,517	49	803,693	583,589	38						
Cost of sales	(220,423)	(135,015)	63	(728,777)	(506,864)	44						
Gross profit	4,435	15,502	-71	74,916	76,725	-2						
Other income	2,171	494	>100	11,471	15,356	-25						
Administrative expenses	(6,654)	(6,681)	0	(26,761)	(28,454)	-6						
Depreciation	(3,943)	(4,463)	-12	(16,690)	(16,953)	-2						
Operating expenses	(4,312)	(4,199)	3	(18,308)	(15,312)	20						
Other expenses	(2,206)	(2,465)	-11	(8,418)	(4,047)	>100						
Reversal of impairment losses, net	(126)	(533)	-76	3,448	(1,158)	>100						
Finance costs	(2,510)	(2,715)	-8	(8,429)	(11,367)	-26						
Share of results of joint ventures	(1,420)	(108)	>100	6,798	(325)	>100						
(Loss)/Profit before tax	(14,565)	(5,168)	>100	18,027	14,465	25						
Income tax expense	1,827	(6,065)	>100	(11,029)	(13,970)	-21						
Net (loss)/profit for the financial year	(12,738)	(11,233)	13	6,998	495	>100						
Other comprehensive (loss)/income:												
Actuarial gain on defined benefit obligation	8	111	-93	8	111	-93						
Foreign currency translation	(3,418)	(2,937)	16	(8,400)	(4,393)	91						
Total comprehensive (loss)/income for the financial year	(16,148)	(14,059)	15	(1,394)	(3,787)	-63						
Net (loss)/profit attributable to:												
Equity holders of the Company	(11,718)	(9,369)	25	10,736	4,711	>100						
Non-controlling interests	(1,020)	(1,864)	-45	(3,738)	(4,216)	-11						
	(12,738)	(11,233)	13	6,998	495	>100						
Total comprehensive (loss)/income attributable to:												
Equity holders of the Company	(14,795)	(12,645)	17	2,109	(590)	>100						
Non-controlling interests	(1,353)	(1,414)	-4	(3,503)	(3,197)	10						
	(16,148)	(14,059)	15	(1,394)	(3,787)	-63						
Earnings per share attributable to equity holders of the Company:												
- Basic (sen)	(1.46)	(1.29)	14	1.34	0.65	>100						
- Diluted (sen)	(1.46)	(1.29)	14	1.34	0.65	>100						

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2024.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2025

	Unaudited	Audited
	As At 31/05/2025 RM'000	As At 31/05/2024 RM'000
ASSETS		
Non-current assets		
Investment in joint ventures	3,576	-
Concession assets	133,245	147,429
Intangible assets	19,303	24,095
Property, plant and equipment	18,767	26,240
Right-of-use assets	4,188	4,911
Investment properties	15,189	15,567
Inventories	-	53,462
Trade and non-trade receivables	5,969	3,901
Other investments	1,789	809
Goodwill on consolidation	5,527	6,141
Deferred tax assets	28,493	21,837
	236,046	304,392
Current assets		
Inventories	400,996	535,265
Contract costs	8,606	5,568
Trade and non-trade receivables	131,268	114,061
Contract assets	340,209	250,552
Current tax assets	7,422	5,357
Short term funds	67,683	41,217
Deposits with licensed banks	59,831	45,983
Cash and bank balances	131,101	84,205
	1,147,116	1,082,208
Assets classified as held for sale	-	1,684
TOTAL ASSETS	1,383,162	1,388,284



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

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

	Unaudited As At 31/05/2025 RM'000	Audited As At 31/05/2024 RM'000
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Company		
Share Capital	412,091	389,521
Reserves	404,450	402,341
	816,541	791,862
Non-controlling interests	(11,784)	(8,635)
Total equity	804,757	783,227
Non-current liabilities		
Investment in joint ventures	-	3,731
Bank borrowings	77,843	59,826
Lease liabilities	-	256
Deferred tax liabilities	3,703	2,280
Defined benefit obligations	1,724	2,141
Non-trade payables	8,617	97,997
	91,887	166,231
Current liabilities		
Trade and non-trade payables	339,267	290,531
Contract liabilities	22,565	18,872
Bank borrowings	122,489	127,335
Lease liabilities	-	423
Current tax liabilities	2,197	1,665
	486,518	438,826
Total liabilities	578,405	605,057
TOTAL EQUITY AND LIABILITIES	1,383,162	1,388,284
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.02	1.09

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2024.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Share Capital RM'000	Capital Reserves RM'000	Foreign Exchange Translation Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 Jun 2024	389,521	1,347	(3,870)	404,864	791,862	(8,635)	783,227
Profit/(loss) after taxation for the financial year	-	-	-	10,736	10,736	(3,738)	6,998
Actuarial gain on defined benefit obligation	-	-	-	8	8	-	8
Foreign currency translation differences	-	-	(8,635)	-	(8,635)	235	(8,400)
Total comprehensive income/(loss) for the financial year	-	-	(8,635)	10,744	2,109	(3,503)	(1,394)
Dissolution of a subsidiary	-	-	-	-	-	354	354
Issue of ordinary shares	22,570	-	-	-	22,570	-	22,570
At 31 May 2025	412,091	1,347	(12,505)	415,608	816,541	(11,784)	804,757

	Share Capital RM'000	Capital Reserves RM'000	Foreign Exchange Translation Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 Jun 2023	389,521	1,347	1,542	400,042	792,452	(5,438)	787,014
Profit/(loss) after taxation for the financial year	-	-	-	4,711	4,711	(4,216)	495
Actuarial gain on defined benefit obligation	-	-	-	111	111	-	111
Foreign currency translation differences	-	-	(5,412)	-	(5,412)	1,019	(4,393)
Total comprehensive income/(loss) for the financial year	-	-	(5,412)	4,822	(590)	(3,197)	(3,787)
At 31 May 2024	389,521	1,347	(3,870)	404,864	791,862	(8,635)	783,227

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2024.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	12 Months Ended 31/05/2025 RM'000	Audited 12 Months Ended 31/05/2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax:	18,027	14,465
Adjustments for:		
Accretion of interest on		
- amount owing to a director	-	25
- trade and non-trade receivables	450	(7,366)
Accretion of interest on trade receivables		
Bad debts written off	166	6
Deposits written off	9	-
Depreciation of:		
- concession assets	8,535	7,785
- intangible assets	4,894	3,449
- investment properties	156	821
- property, plant and equipment	4,365	6,268
- right-of-use assets	53	604
Fair value gain on quoted investments	(450)	(90)
Finance costs	12,314	13,052
Net loss/(gain) on disposal of:		
- property, plant and equipment	775	(991)
- investment properties	(178)	-
- assets held for sale	(1,516)	-
Impairment loss on:		
- right-of-use assets	-	109
- contract assets	-	626
- trade and non-trade receivables	-	387
- amount owing by joint venture	-	388
Income received from short term funds	(86)	(74)
Defined benefit obligations	(7)	306
Interest income	(2,826)	(2,506)
Net unrealised loss on foreign exchange	7,070	3,450
Property, plant and equipment written off	1	38
Reversal of impairment on:		
- trade and non-trade receivables	(3,622)	(244)
- prepayment	-	(5)
- concession assets	-	(20)
- investment in joint venture	(510)	-
Share of results of joint ventures	(6,798)	325
Operating profit before working capital changes	40,822	40,808
Changes in working capital:		
Contract assets	(89,656)	(91,167)
Contract liabilities	3,693	72
Contract costs	(3,038)	338
Inventories	187,731	31,009
Payables	(40,477)	42,149
Receivables	(16,809)	24,609
Cash generated from operations	82,266	47,818
Employee benefit paid	(203)	(119)
Income tax paid	(18,218)	(13,883)
Income tax refund	205	366
Net Operating Cash Flows	64,050	34,182



GADANG HOLDINGS BERHAD
199301023376 (278114-K)

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

	12 Months Ended 31/05/2025 RM'000	Audited 12 Months Ended 31/05/2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
- concession assets	(5,407)	(30,715)
- intangible assets	(1,225)	(753)
- property, plant and equipment	(1,080)	(283)
Proceeds from disposal of:		
- assets held for sale	3,200	-
- property, plant and equipment	3,066	1,398
- investment properties	399	-
Income received from short term funds	86	74
Interest received	2,826	2,506
Fixed deposits pledged as security values	(13,416)	(2,570)
Net Investing Cash Flows	(11,551)	(30,343)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of:		
- bank borrowings	245,506	81,278
Finance costs	(12,314)	(13,052)
Proceeds from issuance of ordinary share raised from Private Placement	22,570	-
Repayment of:		
- bank borrowings	(223,631)	(112,397)
- hire purchase	(5,920)	(3,784)
- lease liabilities	-	(540)
Net Financing Cash Flows	26,211	(48,495)
Net change in cash and cash equivalents	78,710	(44,656)
Effect of exchange rate changes	(4,916)	(753)
Cash and cash equivalents at the beginning of the financial year	148,970	194,379
Cash and cash equivalents at the end of the financial year	222,764	148,970
Analysis of Cash and Cash Equivalents:-		
Cash and bank balances	131,101	84,205
Short term funds	67,683	41,217
Deposits with licensed banks	59,831	45,983
	258,615	171,405
Less: Fixed deposits pledged as security values	(35,851)	(22,435)
Total	222,764	148,970

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 May 2024.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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 2024. 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 2024.

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 2024, except for the changes arising from the adoption of Amendments/Improvements to MFRS as follows:

Standard	Title
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

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 121 Lack of Exchangeability	1 Jan 2025
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



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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 2024 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.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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

12 Months ended 31 May 2025 (Current Financial Year)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	467,885	300,991	34,817	-	803,693
Results					
Segment results	36	30,361	7,631	(18,370)	19,658
Finance costs	(542)	(5,477)	(2,175)	(235)	(8,429)
Share of results of joint ventures	6,798	-	-	-	6,798
Profit/(Loss) before tax	6,292	24,884	5,456	(18,605)	18,027
Income tax expense					(11,029)
Profit for the financial year					6,998

12 Months ended 31 May 2024 (Previous Financial Year)

	Construction Division RM'000	Property Division RM'000	Utilities Division RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue	277,345	270,596	35,648	-	583,589
Results					
Segment results	(21,772)	57,145	7,135	(16,351)	26,157
Finance costs	(546)	(8,167)	(2,220)	(434)	(11,367)
Share of results of joint ventures	(325)	-	-	-	(325)
(Loss)/Profit before tax	(22,643)	48,978	4,915	(16,785)	14,465
Income tax expense					(13,970)
Profit for the financial year					495

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 2024.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

A11. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS

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

- (a) On 11 October 2024, the Company’s wholly-owned subsidiary, Gadang Construction Sdn Bhd, entered into a Sale and Purchase Agreement (“SPA”) with Opulent Abode Sdn Bhd to dispose of a parcel of leasehold land held under HS(D) 256293, PT 47369, Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor, for a total consideration of RM65 million.

On 4 February 2025, all conditions precedent under the SPA were duly fulfilled. With the satisfaction of these conditions, the SPA became unconditional and was expected to be completed within three (3) months from the unconditional date, i.e., by 2 May 2025 (“Completion Period”). Failing which, the Completion Period will automatically be extended for another three (3) months from the expiry of the Completion Period (“Extended Completion Period”), i.e., by 1 August 2025.

The proposed disposal was completed on 23 May 2025.

- (b) On 30 December 2024, RUSB - Hotrend Joint Consortium, a joint venture comprising Regional Utilities Sdn Bhd (“RUSB”), a wholly-owned subsidiary of Gadang, and Hotrend Corporation Sdn Bhd (“Hotrend”), had on even date accepted the Letter of Notification on Acceptance of Offer from the Energy Commission of Sabah for the development of a Large Scale Solar PV Plant of 15.0 MWa.c. in Tawau, Sabah (“the Project”).

The Letter of Notification on Acceptance of Offer requires the JVC to satisfy certain obligations, compliance, including submission and execution of the Project documents to confirm the acceptance.

On 10 April 2025, RUSB and Hotrend formed an incorporated joint venture company known as Tenaga Aspirasi Sdn. Bhd (“TASB”) under the Companies Act, 2016, to undertake the development of the Project. RUSB subscribed for a 60% equity interest, representing 60 ordinary shares in TASB, for a total purchase consideration of RM60.

- (c) 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 made a provision for additional 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.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

A11. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS (Continued)

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

- (d) 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).”
- (e) 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 RM909,887. The winding-up will not have any material effect on the net assets per share or earnings per share of the Group.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the current quarter under review, except for the following:-

- (a) On 25 March 2025, Borneo Engineering And Construction Sdn Bhd (“BEC”), an indirect 60% owned subsidiary of the Company, commenced a members’ voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016, as BEC has not commenced business since its incorporation and has no intention of commencing business in the future.

BEC was incorporated on 9 June 2023 with an issued and paid-up share capital of RM100. The total cost of investment in BEC was RM540,000. The winding-up will not have any material effect on the net assets per share or earnings per share of the Group.

- (b) On 10 April 2025, the Company’s wholly-owned subsidiary, Regional Utilities Sdn. Bhd. (“RUSB”), and Hotrend Corporation Sdn. Bhd. formed a joint venture company known as Tenaga Aspirasi Sdn. Bhd (“TASB”) under the Companies Act, 2016. RUSB subscribed for a 60% equity interest, representing 60 ordinary shares in TASB, for a total purchase consideration of RM60. With this subscription, TASB became an indirect 60% owned subsidiary of the Company. The intended principal activity of TASB is to undertake the development of a Large Scale Solar PV Plant of 15.0 MWa.c. in Tawau, Sabah.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

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:

	12 Months Ended 31/05/2025 RM’000
Purchase of construction materials in the ordinary course of business of the Company on behalf of sub-contractors	68,614
Advances to sub-contractors, non-interest bearing	1,981
	<u>70,595</u>

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 MAY 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 RM224.86 million, compared to RM150.52 million in the corresponding quarter of the preceding year. The loss before tax increased to RM14.57 million compared to RM5.17 million in the corresponding quarter of the preceding year.

Correspondingly, for the current year to date, revenue increased to RM803.69 million compared to RM583.59 million in the preceding year to date. The profit before tax increased to RM18.03 million compared to RM14.47 million in the preceding year to date, mainly due to higher contribution from the Construction Division and the reversal of impairment losses on a joint venture project.

Tabulated below are the unaudited various divisional contributions: -

	INDIVIDUAL QUARTER			CUMULATIVE YEAR		
	3 Months Ended 31/05/2025 RM'000	3 Months Ended 31/05/2024 RM'000	Variance %	12 Months Ended 31/05/2025 RM'000	12 Months Ended 31/05/2024 RM'000	Variance %
REVENUE						
Construction Division	87,606	92,896	-6	467,885	277,345	69
Property Division	129,151	48,374	>100	300,991	270,596	11
Utilities Division	8,101	9,247	-12	34,817	35,648	-2
Investment Holding	-	-	-	-	-	-
	<u>224,858</u>	<u>150,517</u>	<u>49</u>	<u>803,693</u>	<u>583,589</u>	<u>38</u>
(LOSS)/PROFIT BEFORE TAX						
Construction Division	(8,337)	(5,886)	42	6,292	(22,643)	>100
Property Division	(926)	5,105	>100	24,884	48,978	-49
Utilities Division	553	2,151	-74	5,456	4,915	11
Investment Holding	(5,855)	(6,538)	-10	(18,605)	(16,785)	11
	<u>(14,565)</u>	<u>(5,168)</u>	<u>>100</u>	<u>18,027</u>	<u>14,465</u>	<u>25</u>

Construction Division

Revenue for the current quarter decreased to RM87.61 million compared to RM92.90 million in the corresponding quarter of the preceding year. The Division's loss before tax increased to RM8.34 million compared to RM5.89 million in the corresponding quarter of the preceding year.

Revenue for the current year to date increased to RM467.89 million compared to RM277.35 million in the preceding year to date. The Division recorded a profit before tax of RM6.29 million compared to a loss before tax of RM22.64 million in the preceding year to date, mainly due to higher work progress from certain on-going projects and the reversal of impairment losses from a joint venture project.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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 (Continued)

Property Division

In the current quarter, revenue increased to RM129.15 million compared to RM48.37 million in the corresponding quarter of the preceding year. However, the Division recorded a loss before tax of RM0.93 million compared to a profit before tax of RM5.11 million in the corresponding quarter of the preceding year. Current quarter losses are mainly attributed to a provision for additional costs of approximately RM19.0 million arising from the acceptance of a Letter of Mutual Termination on a Joint Development Agreement.

Revenue for the current year to date increased to RM300.99 million compared to RM270.60 million in the preceding year to date. However, profit before tax decreased to RM24.88 million compared to RM48.98 million in the preceding year to date. This was mainly due to lower contributions from fewer completed phases or projects for the current year to date, a provision for additional costs from the mutual termination of a Joint Development Agreement as mentioned above, as well as the absence of the accretion of interest on trade receivables, which was recorded in the preceding year to date.

Utilities Division

Revenue for the current quarter decreased to RM8.10 million compared to RM9.25 million in the corresponding quarter of the preceding year. Accordingly, profit before tax also decreased to RM0.55 million compared to RM2.15 million in the corresponding quarter of the preceding year.

Revenue for the current year to date decreased marginally to RM34.82 million compared to RM35.65 million in the preceding year to date. However, profit before tax increased to RM5.46 million compared to RM4.92 million in the preceding year to date, mainly due to cost savings from the water treatment plant and gain on foreign exchange translation from the weakening Indonesian Rupiah, albeit with lower contribution from the power plant in Indonesia.

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

	Current Quarter 31/05/2025 RM'000	Preceding Quarter 28/2/2025 RM'000	Variance %
Revenue	224,858	252,583	-11
Operating (loss)/profit	(8,112)	19,982	>100
(Loss)/Profit before interest and tax	(12,055)	15,248	>100
(Loss)/Profit before tax	(14,565)	12,970	>100
(Loss)/Profit after tax	(12,738)	8,072	>100
(Loss)/Profit attributable to equity holders of the Company	<u>(11,718)</u>	<u>9,082</u>	>100



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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 (Continued)

The Group's revenue decreased to RM224.86 million in the current quarter compared to RM252.58 million in the preceding quarter. This decrease was mainly due to lower construction work progress on certain construction projects. Correspondingly, the loss before tax increased to RM14.57 million in the current quarter compared to a profit before tax of RM12.97 million in the preceding quarter, mainly due to lower contributions 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.

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

The Construction Division will focus on project execution and timely completion of its on-going projects, while actively seeking more opportunities in the infrastructure, renewable energy and data centre sectors to grow its order book. The Division will continue to monitor and implement effective cost control measures in view of the current volatile geopolitical landscape in the business environment. As a positive development, the Group strengthened its construction project portfolio with the recent award of the Widening of Kuala Lumpur - Karak Highway project, which will commence work in the first quarter of FYE 2026. Thus, the Division's outstanding order book expanded to approximately RM839 million as of the reporting date.

The Property Division successfully launched Laman Citra Phase 4 at Gelang Patah, Johor Bahru, with an estimated gross development value of RM260.0 million in the first quarter of FYE 2025. The Division further launched Akasia Phase 1B @ Semenyih in March 2025, with an estimated gross development value of RM96.0 million. Supported by recent launches with total unbilled sales of RM297.2 million, the Division is expected to deliver a satisfactory performance in the upcoming financial year. Concurrently, it will continue to adopt a cautious and resilient approach in overseeing its ongoing development projects while strategically exploring and evaluating new opportunities.

The Utilities Division will continue to explore and review investment opportunities to build up its concession asset base with recurring revenue streams. The concession water treatment assets in Indonesia have been contributing a stable and sustainable recurring revenue to the Group. The construction of the 5.9MWac solar photovoltaic energy generating facility located in Tawau, Sabah, is at its final stage of completion. Coupled with the recent successful bid to develop a 15MWac large-scale solar photovoltaic plant in Tawau, Sabah, both energy-generating facilities will further strengthen the revenue contribution to the Group in the future years upon commissioning.

The Group will continue to monitor the business environment that it operates in, with periodic assessments to be carried out to ensure prudent financial management and efficient operating procedures are in place to achieve sustainable growth moving forward. Additionally, the Group will continue to replenish the construction order book and expand its Property Division's landbank to sustain the future earnings of the Group.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 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 31/05/2025 RM'000	12 Months Ended 31/05/2025 RM'000
Income tax expense:		
Malaysian income tax	(2,235)	(12,944)
Foreign income tax	(993)	(3,366)
Deferred tax	5,055	5,281
	1,827	(11,029)

The Group's effective tax rate (excluding the results of joint ventures, which are equity accounted net of tax) for the current quarter was lower than the statutory tax rate, mainly due to the recognition of deferred tax assets on unutilised tax losses of certain subsidiaries after set-off 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 May 2025 RM'000	Balance unutilised as at 31 May 2025 RM'000	Intended timeframe for utilisation from the date of listing
Construction projects expenditure	22,248	(7,100)	15,148	Within 24 months
Expenses relating to the Private Placement	322	(322)	-	Completed
	22,570	(7,422)	15,148	



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

B8. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	As at 31/05/2025 RM'000	As at 31/05/2024 RM'000
(a) (i) Short Term Borrowings		
Revolving credit	101,773	93,740
Banker's acceptance	1,687	210
Term loans	16,631	29,774
Hire purchase payable	2,398	3,611
	<u>122,489</u>	<u>127,335</u>
(ii) Long Term Borrowings		
Term loans	75,821	53,486
Hire purchase payable	2,022	6,340
	<u>77,843</u>	<u>59,826</u>
Total Borrowings	<u>200,332</u>	<u>187,161</u>

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

	As at 31/05/2025		As at 31/05/2024	
	Foreign Currency '000	RM Equivalent '000	Foreign Currency '000	RM Equivalent '000
Singapore Dollar	675	2,221	2,077	7,231
Indonesian Rupiah	70,962,565	18,521	84,954,246	24,637
		<u>20,742</u>		<u>31,868</u>

Bank borrowings for the current year to date increased to RM200.33 million compared to RM187.16 million at the beginning of the financial year. The increase in the current year was mainly due to the drawdown of banking facilities for Kwasa Land, and after repayments of revolving credit for RTS project.

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 Persona 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".



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

B9. MATERIAL LITIGATION (Continued)

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 defence into the court proceeding to dispute the Claim.

GESB has filed an application to strike out the Claim and the hearing of the application has been re-scheduled to 25 September 2025.

The Plaintiff has filed an application for summary judgment against GESB and the application has been re-scheduled to 25 September 2025 for case management.

B10. DIVIDEND

The Board has proposed a first and final dividend of 0.27 sen per share in respect of the financial year ended 31 May 2025, to be tabled for shareholders' approval at the forthcoming Annual General Meeting. The entitlement date and the payment date for the proposal dividend shall be announced later.

B11. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share has been calculated by dividing the net (loss)/profit for the financial year 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 31/05/2025	3 Months Ended 31/05/2024	12 Months Ended 31/05/2025	12 Months Ended 31/05/2024
Net (loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(11,718)	(9,369)	10,736	4,711
Weighted average number of ordinary shares in issue ('000)	800,867	728,061	800,867	728,061
Basic earnings per share (sen)	(1.46)	(1.29)	1.34	0.65

(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 year.



GADANG HOLDINGS BERHAD

199301023376 (278114-K)

INTERIM REPORT FOR THE QUARTER ENDED 31 MAY 2025

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

B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	3 Months Ended 31/05/2025 RM'000	12 Months Ended 31/05/2025 RM'000
Contract Foreseeable Losses	(2,117)	(1,636)
Depreciation	311	1,313
Finance costs	936	3,885
Rental of land and premises	258	1,080

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

	3 Months Ended 31/05/2025 RM'000	12 Months Ended 31/05/2025 RM'000
Accretion of interest on trade receivables	516	450
Bad debts written off	118	166
Deposits written off	9	9
Depreciation	3,943	16,690
Fair value loss/(gain) on quoted investments	179	(450)
Finance costs	2,510	8,429
(Gain)/Loss on disposal of:		
- property, plant and equipment	(302)	775
- assets held for sale	-	(1,516)
- investment properties	(290)	(178)
Income received from short term funds	(27)	(86)
Interest income	(789)	(2,826)
Net unrealised loss on foreign exchange	2,047	7,070
Reversal of impairment losses on:		
- trade and non-trade receivables	-	(3,622)
- investment in joint venture	-	(510)
Property, plant and equipment written off	1	1
Rental of office	125	669
Rental of land and premises	(181)	(1,045)

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.