

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Comprehensive Income
For the 1st Quarter Ended 31 March 2025

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31/03/2025 RM'000	Preceding Year Quarter 31/03/2024 RM'000	Current Year To Date 31/03/2025 RM'000	Preceding Year To Date 31/03/2024 RM'000
Revenue	459,708	205,059	459,708	205,059
Cost of sales	(398,530)	(188,343)	(398,530)	(188,343)
Gross profit	61,178	16,716	61,178	16,716
Other operating income	875	1,589	875	1,589
Selling and administrative expenses	(18,301)	(11,489)	(18,301)	(11,489)
Finance costs	(8,714)	(5,313)	(8,714)	(5,313)
Share of gain/(loss) of joint ventures	414	(88)	414	(88)
Share of loss of associate company	(160)	-	(160)	-
Profit before tax	35,292	1,415	35,292	1,415
Income tax expense	(10,233)	(1,038)	(10,233)	(1,038)
Profit net of tax	25,059	377	25,059	377
Other comprehensive (loss)/income	-	(9)	-	(9)
Total comprehensive income for the period	25,059	368	25,059	368
Profit/(loss) attributable to :				
Owners of the Company	25,207	537	25,207	537
Non-controlling interests	(148)	(160)	(148)	(160)
	25,059	377	25,059	377
Profit Per Share (Sen)				
- Basic (2)	7.13	0.15	7.13	0.15
- Diluted (2)	7.13	0.15	7.13	0.15
Total comprehensive income/(loss) attributable to :				
Owners of the Company	25,207	528	25,207	528
Non-controlling interests	(148)	(160)	(148)	(160)
	25,059	368	25,059	368

Notes:

(1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to the interim financial statements.

(2) Please refer to Note B11 for details.

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statements of Financial Position
As at 31 March 2025

	Unaudited As at 31/03/2025 RM'000	Audited As at 31/12/2024 RM'000
Assets		
Non- current assets		
Property, plant and equipment	279,415	268,531
Right-of-use asset	6,504	7,112
Land held for property development	361,656	360,917
Investment properties	125	126
Other investments	75	75
Investment in associate company	-	160
Investment in joint ventures	2,117	2,119
Deferred tax assets	14,791	12,534
Goodwill	16	16
	<u>664,699</u>	<u>651,590</u>
Current assets		
Property development costs	282,491	329,658
Inventories	77,602	78,667
Trade and other receivables	634,626	541,726
Prepayment	10,269	10,781
Contract assets	464,092	383,547
Cash and bank balances	59,881	69,669
	<u>1,528,961</u>	<u>1,414,048</u>
TOTAL ASSETS	<u><u>2,193,660</u></u>	<u><u>2,065,638</u></u>
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	481,773	423,238
Lease liability	3,590	3,859
Trade and other payables	551,072	507,759
Contract liabilities	39,460	45,916
Current tax liabilities	9,726	1,808
Provisions	16,378	15,000
	<u>1,101,999</u>	<u>997,580</u>
Net current assets	<u>426,962</u>	<u>416,468</u>
Non-current liabilities		
Loans and borrowings	243,397	248,298
Lease liabilities	3,108	3,442
Other payables	21,634	21,148
Deferred tax liabilities	10,549	7,256
	<u>278,688</u>	<u>280,144</u>
TOTAL LIABILITIES	<u>1,380,687</u>	<u>1,277,724</u>
Net assets	<u>812,973</u>	<u>787,914</u>
Equity		
Share capital	255,953	255,953
Treasury shares	(24)	(24)
Other reserves	(676)	(676)
Retained earnings	531,556	506,349
Equity attributable to owners of the Company	<u>786,809</u>	<u>761,602</u>
Non-controlling interests	26,164	26,312
Total equity	<u>812,973</u>	<u>787,914</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,193,660</u></u>	<u><u>2,065,638</u></u>
Net Assets Per Share Attributable to owners of the Company (RM)	2.23	2.16

Notes:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to the interim financial statements.

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Changes in Equity
As at 31 March 2025

	Attributable to owners of the Company							Total Equity RM'000
	<----- Non-distributable ----->				Distributable	Sub-Total RM'000	Non- controlling interest (NCI) RM'000	
	Share capital RM'000	Treasury shares RM'000	Warrants reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000			
<u>YTD ended March 2025</u>								
Balance At 1/1/2025	255,953	(24)	-	(676)	506,349	761,602	26,312	787,914
Total comprehensive income for the period	-	-	-	-	25,207	25,207	(148)	25,059
At 31/03/2025	255,953	(24)	-	(676)	531,556	786,809	26,164	812,973
<u>YTD ended 31 March 2024</u>								
Balance At 1/1/2024	255,944	(24)	34,194	(718)	424,446	713,842	26,524	740,366
Total comprehensive income for the period	-	-	-	(9)	537	528	(160)	368
<u>Transactions with owner</u>								
Conversion of warrants	9	-	(2)	-	-	7	-	7
Expiry of warrants	-	-	(34,192)	-	34,192	-	-	-
NCI's share of fair value adjustment of assets	-	-	-	-	-	-	397	397
At 31/03/2024	255,953	(24)	-	(727)	459,175	714,377	26,761	741,138

(1) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to the interim financial statements

Kimlun Corporation Berhad
[Registration No.: 200901023978 (867077-X)]
Unaudited Condensed Consolidated Statement of Cash Flow
For The Period Ended 31 March 2025

	Current Year To Date 31/03/2025 RM'000	Preceding Year To Date 31/03/2024 RM'000
Operating activities		
Profit before tax	35,292	1,415
Adjustment for :		
Investment expenses written off	(1)	1
Gain on remeasurement of equity investment	-	(908)
Unrealised foreign exchange (gain)/loss	(168)	1,508
Depreciation	9,970	5,133
Depreciation of right-of-use assets	1,046	898
Depreciation of investment properties	2	2
Amortisation of quarry development expenditure	52	42
Provision for defect liabilities costs	1,378	433
Gain on disposal of property, plant and equipment	(94)	(216)
Loss/(Gain) on derecognition of right-of-use assets	1	(40)
Fixed asset written off	-	1
Interest expenses	8,714	5,313
Interest income	(642)	(416)
Share of loss of associate company	160	-
Share of (gain)/loss of joint ventures	(414)	88
Operating cash flows before changes in working capital	<u>55,296</u>	<u>13,254</u>
Changes in working capital		
Property development costs	48,207	(17,067)
Inventories	1,065	(1,258)
Receivables	(92,247)	(31,399)
Other current assets	(71,379)	35,101
Payables	45,931	(35,634)
Other current liabilities	(6,529)	4,709
Cash flows used in operations	<u>(19,656)</u>	<u>(32,294)</u>
Interest paid	(9,540)	(6,586)
Tax paid	(1,263)	(781)
Interest received	297	319
Net cash flows used in operating activities	<u>(30,162)</u>	<u>(39,342)</u>
Investing activities		
Purchase of property, plant and equipment	(16,177)	(16,888)
Net cash outflow on acquisition of a subsidiary	-	(10,983)
Additions to land held for property development	(127)	(47)
Proceeds from disposal of property, plant & equipment	94	229
Net cash flows used in investing activities	<u>(16,210)</u>	<u>(27,689)</u>
Financing activities		
Proceeds from conversion of warrants	-	7
Proceeds from loans and borrowings	50,930	59,189
Advance from a corporate shareholder of a subsidiary	718	401
Advance to associate company	(10,195)	-
Repayment to hire purchase creditors	(5,044)	(2,619)
Repayment of lease liabilities	(1,042)	(863)
Placement of fixed deposit with licensed banks	(906)	(105)
Net cash flows generated from financing activities	<u>34,461</u>	<u>56,010</u>
Net decrease in cash and cash equivalents	(11,911)	(11,021)
Effects of exchange rate changes on cash and cash equivalents	(313)	(79)
Cash and cash equivalents at beginning of financial period	57,912	58,715
Cash and cash equivalents at end of financial period	<u>45,688</u>	<u>47,615</u>
Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	59,881	52,261
Less: Pledge of fixed deposit with licensed banks	(6,600)	(4,646)
Bank overdrafts (included within short term borrowings)	(7,593)	-
	<u>45,688</u>	<u>47,615</u>

Notes:

(1) The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to the interim financial statements

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

NOTES TO THE REPORT

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B Part A of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). It contains condensed combined financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim combined financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with MFRSs.

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2024 (“FY2024 AFS”).

A2. Changes in accounting policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the Group’s FY2024 AFS except for the adoption of the following amendments to MFRS that are mandatory for annual financial periods beginning on or after 1 January 2025:

Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The directors are of the opinion that the Standards and Amendments above would not have any material impact on the financial statements in the year of initial adoption.

A3. Auditor’s report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

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

A5. Items of Unusual Nature

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial year-to-date.

A6. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the financial year-to-date.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

A7. Changes in Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year-to-date;

- (a) Redemption of 3 tranches of Islamic commercial papers (“ICP”) with nominal value of RM32.01 million; and
- (b) issuance of 4 tranches of ICP with tenure of 3 months to 12 months, and with aggregate nominal value of RM36.01 million.

A8. Dividend Paid

There was no payment of dividend during the financial year-to-date.

A9. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial quarter.

A10. Capital commitments

Capital commitment for property, plant and equipment, and land for development not provided for as at 31 March 2025 are as follows:

	RM'000
Approved and contracted for	<u>46,274</u>

The capital commitment is mainly for the purchase of land, heavy machinery and tunnel forms.

A11. Property, Plant and Equipment

The Group acquired property, plant and equipment (“PPE”) amounting to RM20.91 million during the financial year-to-date, mainly incurred for the purchase of heavy machineries and tunnel forms to meet the needs of construction projects.

A12. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the current financial quarter up to 22 May 2025, being the latest practicable date (“LPD”), which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A13. Changes in composition of the group

There was no change in composition of the group during the financial year-to-date.

A14. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A15. Significant Related Party Transactions

There was no significant related party transaction during the current quarter under review.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

A16. Segmental Information

The Group is organized into the following operating segments:-

- a) Construction;
- b) Manufacturing and trading of building materials;
- c) Property development; and
- c) investment

The segment revenue and results for the financial period ended 31 Mar 2025:

	Construction RM'000	Manufacturing & Trading RM'000	Property Development RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
REVENUE						
External sales	298,855	55,618	105,231	4	0	459,708
Inter-segment sales	47,379	19,282	0	1,448	(68,109)	0
Total revenue	<u>346,234</u>	<u>74,900</u>	<u>105,231</u>	<u>1,452</u>	<u>(68,109)</u>	<u>459,708</u>
RESULTS						
Gross profit/(loss)	23,052	15,178	29,236	1,452	(7,740)	61,178
Other operating income						875
Selling and administrative expenses						(18,301)
Finance costs						(8,714)
Share of loss of joint ventures						414
Share of loss of associate company						(160)
Profit before tax						<u>35,292</u>
Income tax expense						<u>(10,233)</u>
Profit net of tax						<u>25,059</u>
Segment Assets	1,318,490	451,685	832,906	435,223	(844,644)	2,193,660
Segment Liabilities	903,210	197,349	621,792	131,289	(472,953)	1,380,687

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

The segment revenue and results for the financial period ended 31 March 2024:

REVENUE	Construction RM'000	Manufacturing & Trading RM'000	Property Development RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
External sales	158,776	43,511	2,767	5	0	205,059
Inter-segment sales	38,438	17,879	0	1,459	(57,776)	0
Total revenue	197,214	61,390	2,767	1,464	(57,776)	205,059
RESULTS						
Gross profit/(loss)	9,395	11,457	(258)	1,464	(5,342)	16,716
Other operating income						1,589
Selling and administrative expenses						(11,489)
Finance costs						(5,313)
Share of loss of a joint venture						(88)
(Loss) before tax						1,415
Income tax credit						(1,038)
(Loss) net of tax						377
Segment Assets	863,383	386,714	671,749	434,607	(688,945)	1,667,508
Segment Liabilities	515,917	156,563	461,991	128,603	(336,704)	926,370

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

	Individual Quarter (Quarter 1)		Changes		Cumulative Period		Changes		Preceding Quarter 31/12/2024 RM'000	current quarter compared to preceding quarter	
	Current Year Quarter 31/3/2025 RM'000	Preceding Year Quarter 31/3/2024 RM'000	Amount RM'000	%	Current Year To Date 31/3/2025 RM'000	Preceding Year To Date 31/3/2024 RM'000	Amount RM'000	%		Amount RM'000	%
Revenue											
Construction	346,234	197,214	149,020	75.6%	346,234	197,214	149,020	75.6%	344,506	1,728	0.5%
Manufacturing & Trading	74,900	61,390	13,510	22.0%	74,900	61,390	13,510	22.0%	92,448	(17,548)	-19.0%
Property Development	105,231	2,767	102,464	3703%	105,231	2,767	102,464	3703%	4,682	100,549	2148%
Investment	1,452	1,464	(12)	-0.8%	1,452	1,464	(12)	-0.8%	1,527	(75)	-4.9%
Elimination	(68,109)	(57,776)	(10,333)	17.9%	(68,109)	(57,776)	(10,333)	17.9%	(46,951)	(21,158)	45.1%
Consolidated revenue	459,708	205,059	254,649	124.2%	459,708	205,059	254,649	124.2%	396,212	63,496	16.0%
Gross profit/(loss) ("GP")											
Construction	23,052	9,395	13,657	145.4%	23,052	9,395	13,657	145.4%	23,292	(240)	-1.0%
Manufacturing & Trading	15,178	11,457	3,721	32.5%	15,178	11,457	3,721	32.5%	19,218	(4,040)	-21.0%
Property Development	29,236	(258)	29,494	-11432%	29,236	(258)	29,494	-11432%	17	29,219	171877%
Investment	1,452	1,464	(12)	-0.8%	1,452	1,464	(12)	-0.8%	1,527	(75)	-4.9%
Elimination	(7,740)	(5,342)	(2,398)	44.9%	(7,740)	(5,342)	(2,398)	44.9%	(7,400)	(340)	4.6%

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

	Individual Quarter (Quarter 1)		Changes		Cumulative Period		Changes		Preceding Quarter 31/12/2024 RM'000	Current quarter compared to preceding quarter	
	Current Year Quarter 31/3/2025 RM'000	Preceding Year Quarter 31/3/2024 RM'000	Amount RM'000	%	Current Year To Date 31/3/2025 RM'000	Preceding Year To Date 31/3/2024 RM'000	Amount RM'000	%		Amount RM'000	%
Consolidated GP	61,178	16,716	44,462	266.0%	61,178	16,716	44,462	266.0%	36,654	24,524	66.9%
GP margin											
Construction	6.7%	4.8%			6.7%	4.8%			6.8%		
Manufacturing & Trading	20.3%	18.7%			20.3%	18.7%			20.8%		
Property Development	27.8%	-9.3%			27.8%	-9.3%			0.4%		
Investment	100.0%	100.0%			100.0%	100.0%			100.0%		
Consolidated GP margin	13.3%	8.2%			13.3%	8.2%			9.3%		
Other income	875	1,589	(714)	-44.9%	875	1,589	(714)	-44.9%	4,926	(4,051)	-82.2%
Selling & administrative expenses	(18,301)	(11,489)	(6,812)	59.3%	(18,301)	(11,489)	(6,812)	59.3%	(14,179)	(4,122)	29.1%
Finance costs	(8,714)	(5,313)	(3,401)	64.0%	(8,714)	(5,313)	(3,401)	64.0%	(7,731)	(983)	12.7%
Share of profit/ (loss) of joint ventures	414	(88)	502	-570.5%	414	(88)	502	570.5%	637	(223)	-35.0%
Share of (loss) of associate company	(160)	-	(160)	#DIV/0!	(160)	-	(160)	#DIV/0!	(330)	170	-51.5%
(Loss)/profit before tax	35,292	1,415	33,877	2394%	35,292	1,415	33,877	2394%	19,977	15,315	76.7%
(Loss)/profit net of tax	25,059	377	24,682	6547%	25,059	377	24,682	6547%	16,560	8,499	51.3%

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

NOTES TO REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Operating Segments Review

- (a) Quarter 1 Financial Year Ending 31 December (“FY”) 2025 (“current quarter”) vs Quarter 1 FY2024

Revenue of RM459.71 million for the current quarter was RM254.65 million (124.2%) higher compared to RM205.06 million recorded in Quarter 1 FY2024.

Gross profit (“GP”) of RM61.18 million for the current quarter was RM44.46 million (266.0%) higher compared to RM16.72 million recorded in Quarter 1 FY2024.

Other income of RM0.88 million for the current quarter was RM0.71 million (44.9%) lower against Quarter 1 FY2024.

Selling and administrative (“S&A”) expenses of RM18.30 million for the current quarter were RM6.81 million (59.3%) higher compared to Quarter 1 FY2024.

Finance costs of RM8.71 million for the current quarter were RM3.40 million (64.0%) higher compared to Quarter 1 FY2024.

Overall, the Group recorded a higher profit before tax (“PBT”) of RM35.29 million for the current quarter compared to RM1.42 million of Quarter 1 FY2024, profit net of tax (“PAT”) of RM25.06 million for the current quarter compared to RM0.38 million of Quarter 1 FY2024.

- (b) Performance review

The improvement in the consolidated revenue in the current quarter was attributable to higher external sales revenue (“external revenue”) generated by all the active business divisions.

The construction division’s external revenue increased by RM140.08 million (88.2%) from RM158.78 million in Quarter 1 FY2024 to RM298.86 million in the current quarter, mainly attributable to revenue contribution from the sizable balance order of RM3.1 billion brought down from 31 December 2024.

The M&T division’s external revenue increased by RM12.11 million (27.8%) from RM43.51 million in Quarter 1 FY2024 to RM55.62 million in the current quarter, mainly attributable to the acceleration of the production and sales of orders in hand supported by higher production capacity after the expansion of manufacturing plant.

The property development (“PD”) division’s external revenue was multifold higher at RM105.23 million in the current quarter vis-à-vis RM2.77 million in Quarter 1 FY2024, attributable to the launching and sales of a new development project in Johor Bahru (“New Development Project”).

The improvement in the consolidated GP in the current quarter was attributable to higher GP generated by all the active business divisions on the back of higher revenue, as well as better GP margin on economic of scale from higher level of operation.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

Other income was lower in the current quarter. The variance was mainly due to the gain on remeasurement of equity investment of RM0.91 million in Quarter 1 FY2024.

S&A expenses were higher in the current quarter mainly due to higher human resources costs in line with higher scale of operation, and expenses such as agent commissions and bank charges in relation to the launching and sales of the New Development Project.

Finance costs were higher in the current quarter mainly due to higher utilization of bank facilities.

Share of profit of joint ventures was higher in the current quarter due to higher profit contribution from the quarry business.

(c) Group cash flow review

RM30.16 million net cash was used in operating activities, in line with working capital requirements of larger scale of operation and preliminary costs of new projects. RM16.21 million net cash was used in investing activities, mainly for the acquisition of PPE. RM34.46 million net cash was generated from financing activities, mainly attributable to higher utilization of bank facilities for working capital requirements and acquisition of PPE.

B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

Consolidated revenue recorded in the current quarter was RM63.50 million (16.0%) higher compared to the preceding quarter attributable to revenue generated from the New Development Project in the current quarter.

GP in the current quarter was RM24.52 million (66.9%) higher compared to the preceding quarter in line with higher revenue and higher proportion of the current quarter's revenue was generated from the more profitable PD division.

Other income in the current quarter was RM4.05 million (82.2%) lower compared to the preceding quarter. The variance was due to the following other income recorded in the preceding quarter:

- (i) reversal of impairment on trade receivable and land held for property development; and
- (ii) gain on remeasurement of financial liabilities.

S&A expenses in the current quarter were RM4.12 million (29.1%) higher compared to the preceding quarter due to agent commissions and bank charges in relation to the launching and sales of the New Development Project incurred in the current quarter.

The higher finance costs in the current quarter were mainly caused by the factors stated in section B1(b) above.

Overall, the Group recorded a higher PBT and PAT for the current quarter compared to the preceding quarter.

B3. Prospects For 2025

The Group has an estimated construction and manufacturing balance order book of approximately RM2.95 billion and RM0.32 billion respectively as at 31 March 2025, contributed by numerous

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

construction contracts and supply contracts. The balance order book provides a good earnings visibility to the Group and is expected to keep the Group busy for the next 2 to 3 years.

Our on-going projects and sales orders comprises contracts secured from, amongst other, Samling Resources Sdn Bhd, Eco World Development Group Berhad group, UEM Sunrise Bhd Group, S P Setia Bhd Group and China Communications Construction Company Ltd. Our on-going projects and sales orders include the following:

- (a) the SSRL Project for a contract sum of RM0.78 billion. The estimated completion period of the project is year 2026;
- (b) Design and build project for 1 block of service apartment and amenities in Johor for a contract sum of RM98.85 million. The estimated completion period of the project is year 2026; and
- (c) Few sales orders for the supply of IBS components and tunnel lining segments (“TLS”) to Singapore MRT project. The estimated completion period of these sales orders is year 2026.

The Board is optimistic that the construction sector of Malaysia and Singapore will continue to be vibrant in 2025, thus offer order book replenishment prospects.

Malaysia Construction Sector

The Group expects some tender opportunities from the following public sector projects in 2025:

Highway projects in East Malaysia;

Road upgrading works in Johor;

Penang LRT projects; and

Affordable housing projects

Further, the Group’s construction arm will undertake construction works for in-house property developments projects as detailed in the ensuing section of this report. Meanwhile, the Group will be selective and remain cautious in the bidding of other private sector projects, to mitigate credit risks.

Singapore Construction Sector

The Building and Construction Authority (BCA) projects the total construction demand, i.e. the value of construction contracts to be awarded, to range between S\$47 billion and S\$53 billion in nominal terms in 2025.

The strong demand is underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, Mechanical and Engineering contracts for the Thomson-East Coast Line Extension (TEL) and Cross Island Line (CRL), and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

Over the medium-term, BCA expects the total construction demand to reach an average of between S\$39 billion and S\$46 billion per year from 2026 to 2029.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

Our subsidiary SPC Industries Sdn Bhd (“SPC”) has very strong track record in the supply of precast components including TLS, concrete rail sleepers and jacking pipes to large public sector infrastructure projects in Singapore including Singapore MRT projects, Deep Tunnel Sewerage System Phase 2 and Singapore Power’s underground cable tunnel.

Further, SPC has been a frequent supplier of IBS components to various projects in Singapore.

With its strong track record in Singapore, SPC is well positioned to compete for further potential sales orders from Singapore.

Property Development Division

The Group began the sales of a service apartment development project in Masai, Johor, namely Pinegate Residency Phase 1, with estimated gross development value (“GDV”) of approximately RM300 million, in January 2025.

Further, its associate company, Astaka Kimlun Sdn Bhd, launched a service apartment development project in Johor Bahru, Johor, namely Arden Residence, with estimated GDV of approximately RM800 million, in March 2025.

The developments received encouraging response from the market and are expected to contribute positively to the Group’s profit.

The Group expects to submit its development planning applications in relation to few of its land bank for the relevant authorities’ approval this year.

B4. Profit Forecast and Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

B5. Profit Before Tax

The following items have been included in arriving at profit before tax:

	Current Quarter 3 months ended 31.3.2025 RM'000	Cumulative Quarter 3 months ended 31.3.2025 RM'000
(a) interest income	642	642
(b) other income including investment Income	139	139
(c) interest expense	8,714	8,714
(d) depreciation and amortization	11,070	11,070
(e) provision for and write off of receivables	0	0
(f) provision for and write off of inventories	0	0
(g) (gain) or loss on disposal of quoted or unquoted investments or properties	(94)	(94)
(h) impairment of assets	0	0
(i) foreign exchange (gain) or loss	172	172
(j) gain or loss on derivatives	0	0
(k) exceptional items	0	0

B6. Taxation

	Current Quarter 3 months ended 31.3.2025 RM'000	Cumulative Quarter 3 months ended 31.3.2025 RM'000
In respect of the current period		
- Income tax	9,197	1,785
- Deferred tax	1,389	(747)
	10,586	1,038
In respect of prior year		
- Income tax	-	-
- Deferred tax	(353)	-
	10,233	1,038

The effective tax rate for the period under review was higher than the statutory rate applicable to the Group as certain expenses were disallowed for tax deduction under tax regulations and potential deferred tax benefits on unutilized tax losses were not recognised on prudent basis.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

B7. Status of Corporate Proposals

The Board proposed a final single tier dividend of RM0.02 per ordinary share in the Company in respect of the financial year ended 31 December 2024 ("FYE 2024 Final Dividend"), subject to approval being obtained from the shareholders in the forthcoming Annual General Meeting ("16th AGM") for the declaration of the final dividend. The Board has determined that the Dividend Reinvestment Plan will not apply to the final dividend.

B8. Group Borrowings and Debts Securities

The Group's borrowings and debts securities as at 31 March 2025 are as follows:

	Interest rate per annum YTD 2025	As at 31.3.2025 RM'000	As at 31.3.2024 RM'000
Long term borrowings			
<u>Secured:</u>			
Hire purchase creditors	1.88% to 3.61%	35,590	19,221
Term loans	5.18% to 6.82%	177,807	172,987
<u>Unsecured:</u>			
IMTN	5.06%	30,000	55,000
		243,397	247,208
Short term borrowings			
<u>Secured:</u>			
Bank overdraft	5.80% to 7.89%	7,593	-
Hire purchase creditors	1.88% to 3.61%	18,113	9,834
Bankers' acceptance	4.28% to 4.86%	71,474	80,378
Invoice financing	4.02% to 7.70%	258,686	121,497
Term loans and revolving credits	5.18% to 6.82%	36,597	28,315
<u>Unsecured:</u>			
IMTN and ICP	4.87% to 5.25%	89,310	35,010
		481,773	275,034

The borrowings are denominated in the following currencies:

	As at 31.3.2025 RM'000	As at 31.3.2024 RM'000
Short term borrowings		
Ringgit Malaysia	236,600	272,850
Singapore Dollar	6,797	2,184
	243,397	275,034

All long term borrowing is denominated in Ringgit Malaysia.

KIMLUN CORPORATION BERHAD (867077-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2025

All borrowings, other than hire purchase financing, IMTN and ICP which are based on fixed interest rate, are based on floating interest rate.

B9. Material Litigation

There was no material litigation as at the LPD.

B10. Dividends

The Board of Directors does not recommend the payment of an interim dividend for the financial quarter ended 31 March 2025. However, the Board of Directors recommended the payment of FYE 2024 Final Dividend which is subject to the approval of the shareholders at the 16th AGM. This dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits for the financial year ending 31 December 2025.

No dividend was declared in the previous year's corresponding quarter.

B11. Earnings/(Loss) Per Share ("ELPS")

	Current Quarter Ended		Year to-Date Ended	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
Profit/(loss) attributable to owners of the Company (RM'000)	25,207	537	25,207	537
Weighted average number of ordinary shares in issue ('000)	353,363	353,360	353,363	353,360
Assumed shares issued from the exercise of warrants ('000)	0	0	0	0
Adjusted weighted average number of ordinary shares in issue ('000)	353,363	353,360	353,363	353,360
Basic earnings/(loss) per share ("BELPS") (Sen)	7.13	0.15	7.13	0.15
Diluted earnings/(loss) per share ("DELPS") (Sen)	7.13	0.15	7.13	0.15

BELPS is calculated by dividing the loss or profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

DELPS is calculated by dividing the loss or profit attributable to owners of the Company by the adjusted weighted average number of ordinary shares in issue during the financial period.