Building Lifestyles, Building Trust

EUPE CORPORATION BERHAD
[Registration No.: 199601005416 (377762-V)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

	QUARTER ENDED		PERIOD ENDED	
	31.08.2026	**31.08.2025**	**31.08.2026**	**31.08.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	62,713	90,041	111,583	172,984
Cost of sales	(47,851)	(69,751)	(85,134)	(134,003)
Gross profit	14,862	20,290	26,449	38,981
Other operating income	1,082	2,392	2,305	3,704
Marketing and distribution costs	(1,313)	(1,221)	(2,635)	(2,773)
Administrative expenses	(5,495)	(4,814)	(10,374)	(8,947)
Net loss on impairment of financial assets	-	-	(9)	-
Other operating expenses	(802)	(789)	(1,604)	(1,583)
Share of profit/(loss) of equity-accounted joint venture, net of tax	5	-	(41)	-
Finance costs	(236)	(957)	(585)	(1,668)
Profit before tax	**8,103**	**14,901**	**13,506**	**27,714**
Tax expense	(2,046)	(3,639)	(4,012)	(7,214)
Profit/Total comprehensive income for the financial quarter	**6,057**	**11,262**	**9,494**	**20,500**
Profit/Total comprehensive income attributable to:				
Equity holders of the Company	4,712	9,454	6,138	17,122
Non-controlling interests	1,345	1,808	3,356	3,378
	6,057	11,262	9,494	20,500
Basic Earnings Per Share ("EPS") attributable to equity holders of the Company (sen)	3.21	6.43	4.18	11.64

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2026 and the accompanying explanatory notes attached to these Condensed Reports.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2026

	AS AT 31.08.2026 RM'000	AS AT 28.02.2026 RM'000	MOVEMENT RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	54,717	55,582	(865)
Right-of-use assets	1,300	1,763	(463)
Investment in joint venture	6	46	(40)
Other investment	*	*	-
Inventories - land held for property development	422,215	411,841	10,374
Investment properties	51,605	51,541	64
Other receivable	28	55	(27)
Deferred tax assets	7,880	6,486	1,394
	537,751	527,314	10,437
Current assets			
Inventories - property development costs	5,820	18,324	(12,504)
Inventories - completed properties and others	47,115	45,184	1,931
Contract costs	40	3,484	(3,444)
Contract assets	704	118,911	(118,207)
Trade and other receivables	79,847	41,783	38,064
Sinking funds	762	708	54
Tax recoverable	842	243	599
Deposits, cash and bank balances	202,180	145,005	57,175
	337,310	373,642	(36,332)
TOTAL ASSETS	875,061	900,956	(25,895)

**Denotes less than thousand*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2026 (CONT'D)

	AS AT 31.08.2026 RM'000	AS AT 28.02.2026 RM'000	MOVEMENT RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	151,768	151,768	-
Treasury shares	(614)	(556)	(58)
Reserves	404,626	401,711	2,915
	555,780	552,923	2,857
Non-controlling interests	16,705	13,349	3,356
TOTAL EQUITY	572,485	566,272	6,213
Non-current liabilities			
Long-term borrowings	165,868	180,046	(14,178)
Lease liabilities	778	917	(139)
Deferred tax liabilities	5,972	7,687	(1,715)
	172,618	188,650	(16,032)
Current liabilities			
Contract liabilities	1,068	525	543
Trade and other payables	35,328	63,638	(28,310)
Provisions	47,658	23,233	24,425
Short-term borrowings	39,435	50,716	(11,281)
Lease liabilities	577	911	(334)
Current tax payables	5,892	7,011	(1,119)
	129,958	146,034	(16,076)
TOTAL LIABILITIES	302,576	334,684	(32,108)
TOTAL EQUITY AND LIABILITIES	875,061	900,956	(25,895)
Number of ordinary shares ('000)	*146,510*	*146,590*	
Net assets per share attributable to equity holders of the Company (RM)	3.79	3.77	

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2026 and the accompanying explanatory notes attached to these Condensed Reports.

EUPE CORPORATION BERHAD
[Registration No.: 199601005416 (377762-V)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

	← Attributable to equity holders of the Company →						
			Non-Distributable	Distributable			
	Share capital RM'000	Treasury shares RM'000	Employee Share options reserve RM'000	Retained earnings RM'000	Total RM'000	Non - controlling interests RM'000	Total equity RM'000
At 1 March 2026	151,768	(556)	543	401,168	552,923	13,349	566,272
Profit for the financial period	-	-	-	6,138	6,138	3,356	9,494
Purchase of treasury shares	-	(58)	-	-	(58)	-	(58)
Dividend payable	-	-	-	(3,223)	(3,223)	-	(3,223)
Lapse of Employee Share Options Scheme	-	-	(51)	51	-	-	-
At 31 August 2026	151,768	(614)	492	404,134	555,780	16,705	572,485
At 1 March 2025	151,768	-	303	379,215	531,286	12,435	543,721
Profit for the financial period	-	-	-	17,122	17,122	3,378	20,500
Purchase of treasury shares	-	(377)	-	-	(377)	-	(377)
Dividend payable	-	-	-	(3,233)	(3,233)	-	(3,233)
Lapse of Employee Share Options Scheme	-	-	(42)	-	(42)	-	(42)
At 31 August 2025	151,768	(377)	261	393,104	544,756	15,813	560,569

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2026 and the accompanying explanatory notes attached to these Condensed Reports.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2026

	PERIOD ENDED	
	31.08.2026	**31.08.2025**
	RM'000	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	190,672	160,911
Cash payments to suppliers and creditors	(76,279)	(106,846)
Cash payments to employees and for expenses	(19,235)	(15,972)
Cash generated from operations	95,158	38,093
Deposit received/(paid)	387	(947)
Insurance claim received	-	148
Rental income received	212	242
Tax paid	(8,839)	(8,975)
Net cash generated from operating activities	86,918	28,561
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	1,916	1,558
Net changes in fixed deposits pledged	(4,734)	(232)
Proceed from disposal of property, plant and equipment	-	5
Purchase of property, plant and equipment	(275)	(1,189)
Purchase of investment property	(43)	(1)
Net cash (used in)/generated from investing activities	(3,136)	141

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2026 (CONT'D)

	PERIOD ENDED	
	31.08.2026	31.08.2025
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(58)	(377)
Net repayment of lease liabilities	(472)	(473)
Net repayment of term loans	(13,675)	(12,746)
Net (repayment)/drawdown of revolving credits	(10,525)	1,175
Bank overdraft interest paid	(70)	(96)
Lease liabilities interest paid	(41)	(59)
Revolving credits interest paid	(637)	(1,497)
Term loans interest paid	(4,605)	(5,731)
Net cash used in financing activities	(30,083)	(19,804)
Net increase in cash and cash equivalents	53,699	8,898
Cash and cash equivalents at beginning of financial period	133,751	135,278
Cash and cash equivalents at end of financial period	187,450	144,176
Cash and cash equivalents at end of financial period comprise the following :		
Fixed deposits with licensed banks	46,727	36,316
Cash and bank balances	155,453	120,697
	202,180	157,013
Less: Bank overdraft	(756)	(2,393)
Fixed deposits pledged with licensed banks	(13,974)	(10,444)
	187,450	144,176

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2026 and the accompanying explanatory notes attached to these Condensed Reports.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part A: Explanatory Notes Pursuant to MFRS 134

A1 Basis of Preparation

The Condensed Consolidated Interim Financial Statements ("Condensed Report") have been prepared in accordance with *Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and requirements of the Companies Act 2016, where applicable.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 28 February 2026. The explanatory notes attached to the Condensed 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 28 February 2026.

A2 Accounting Policies

The accounting policies adopted in preparing this Condensed Report are consistent with those used in the audited financial statements for the financial year ended 28 February 2026, except for the adoption of new standards and amendments to the MFRSs as disclosed below:

A2.1 New MFRS and amendments to MFRSs adopted

For the preparation of the Condensed Report, the following new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") are mandatory for the first time for the financial year beginning on or after 1 January 2026:

- Amendments to MFRS 7 *Financial Instruments – Disclosures* and MFRS 9 *Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 7 *Financial Instruments – Disclosures* and MFRS 9 *Financial Instruments – Contracts Referencing Nature-dependent Electricity*
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 *Annual Improvements to MFRS Accounting Standards – Volume 11*

The adoption of the above-mentioned new MFRS and other amendments to MFRSs has no material impact on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A2 Accounting Policies (cont'd)

A2.2 New MFRS and Amendments to MFRSs not yet effective

The following are amendments to MFRSs that have been issued by the MASB but have not been adopted by the Group:

New MFRS effective for annual periods beginning on or after 1 January 2027

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability – Disclosures*
- Amendments to MFRS 19 *Subsidiaries without Public Accountability – Disclosures*
- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MRFS 128 *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

New MFRS effective for annual periods beginning on or after 1 January 2029

- MFRS 20 *Regulatory Assets and Regulatory Liabilities*

Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of new MFRS or amendments to MFRSs is not expected to have any material impact on the financial statements of the Group.

A3 Auditors' Report on Preceding Financial Year Financial Statements

The auditors' report on the financial statements for the financial year ended 28 February 2026 was unmodified.

A4 Seasonal or Cyclical Factors

The results for the financial quarter and period ended 31 August 2026 were not materially affected by seasonal or cyclical factors.

A5 Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting the assets, liabilities, net income or cash flows of the Group during the financial quarter and period ended 31 August 2026.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A6 Material Changes in Estimates

There were no changes in estimates that had any material effect during the financial quarter and period ended 31 August 2026.

A7 Debt and Equity Securities

During the current financial period under review, the Company conducted shares buy-back with a total of 80,000 ordinary shares at prices ranging from RM0.712 to RM0.719 per ordinary share, for total cash consideration of RM57,580.

Other than the above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial quarter review.

A8 Dividend Paid

There was no dividend paid during the financial quarter under review.

A9 Segmental Reporting

Financial Period Ended 31 August 2026

	Property Development RM'000	Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	104,937	7,820	4,831	6,661	124,249
Elimination of inter-segment revenue	-	(7,047)	(324)	(5,295)	(12,666)
	104,937	773	4,507	1,366	111,583
Segment results	14,715	(74)	(1,812)	(654)	12,175
Interest income	1,742	155	9	10	1,916
Finance costs	(405)	(6)	(174)	-	(585)
Profit/(Loss) before tax	16,052	75	(1,977)	(644)	13,506
Tax (expense)/income	(3,738)	(18)	80	(336)	(4,012)
Profit/(Loss) for the quarter	12,314	57	(1,897)	(980)	9,494

As of 31 August 2026

	Property Development RM'000	Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Assets					
Segment assets	750,391	17,573	47,352	59,745	875,061
Liabilities					
Segment liabilities	78,449	6,067	5,567	7,190	97,273
Borrowings	199,019	-	3,851	2,433	205,303
	277,468	6,067	9,418	9,623	302,576

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A9 Segmental Reporting (cont'd)

Financial Period Ended 31 August 2025

	Property Development RM'000	Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	164,031	37,520	5,536	1,686	208,773
Elimination of inter-segment revenue	1	(35,203)	(360)	(227)	(35,789)
	164,032	2,317	5,176	1,459	172,984
Segment results	28,877	141	(1,088)	(106)	27,824
Interest income	1,493	53	9	3	1,558
Finance costs	(1,443)	(8)	(217)	-	(1,668)
Profit/(Loss) before tax	28,927	186	(1,296)	(103)	27,714
Tax (expense)/income	(7,020)	(45)	83	(232)	(7,214)
Profit/(Loss) for the quarter	21,907	141	(1,213)	(335)	20,500

As of 31 August 2025

	Property Development RM'000	Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Assets					
Segment assets	811,973	13,729	48,070	58,439	932,211
Liabilities					
Segment liabilities	66,360	19,649	6,164	7,267	99,440
Borrowings	247,894	18,350	5,958	-	272,202
	314,254	37,999	12,122	7,267	371,642

A10 Related Party Disclosures

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

A11 Valuation of Investment Properties

The Group has adopted the fair value model for its investment properties, but there is no significant or indicative change in the fair value of the investment properties since the financial year ended 28 February 2026.

A12 Significant Event Subsequent to the Reporting Period

There was no significant event subsequent to the end of current financial quarter up to the date of report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A13 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the financial quarter and period ended 31 August 2026.

A14 Contingent Liabilities and Assets

As of the date of this report, there were no material contingent liabilities arising from litigations and claims.

A15 Capital Commitments

As of the date of this report, there were no material capital commitment outstanding or arising.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Performance

Revenue	Quarter Ended			Period Ended		
	31.08.2026 Q2FY2027	31.08.2025 Q2FY2026	CHANGES	31.08.2026 6MFY2026	31.08.2025 6MFY2025	CHANGES
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property Development	59,220	85,621	(26,401)	104,937	164,032	(59,095)
Construction	653	1,041	(388)	773	2,317	(1,544)
Chalet & Golf Management	2,162	2,644	(482)	4,507	5,176	(669)
Others	678	735	(57)	1,366	1,459	(93)
Total	**62,713**	**90,041**	**(27,328)**	**111,583**	**172,984**	**(61,401)**

Pre-tax Profit/(Loss)	Quarter Ended			Period Ended		
	31.08.2026 Q2FY2027	31.08.2025 Q2FY2026	CHANGES	31.08.2026 6MFY2026	31.08.2025 6MFY2025	CHANGES
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property Development	9,462	15,400	(5,938)	16,052	28,927	(12,875)
Construction	42	93	(51)	75	186	(111)
Chalet & Golf Management	(1,022)	(500)	(522)	(1,977)	(1,296)	(681)
Others	(379)	(92)	(287)	(644)	(103)	(541)
Total	**8,103**	**14,901**	**(6,798)**	**13,506**	**27,714**	**(14,208)**

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B1 Review of Performance (cont'd)

Q2FY2027 vs Q2FY2026

The Group recorded a decrease in total revenue for the financial quarter ended 31 August 2026 ("Q2FY2027") of RM27.3 million or 30.4% to RM62.7 million, compared to RM90.0 million in previous corresponding financial quarter ("Q2FY2026"). The reduction in revenue was mainly due to the completion of Villa Natura Phase 1 to 3, Cinta Sayang Resort Villas 2 ("CSRV2"), Kelisa Ria 2 and Helix2@PJ South ("Helix2") in FY2026. This reduction was partially offset by higher revenue recognised from Est8@Seputeh ("Est8"), following the post completion project close off in Q2FY2027.

The revenue was also further impacted by the lower revenue from sales of building materials as well as lower revenue from golf subscription and entrance fees and room operations.

The Group recorded lower pre-tax profit of RM8.1 million in Q2FY2027, a decrease of RM6.8 million or 45.6% from RM14.9 million pre-tax profit recorded in Q2FY2026. This is in line with the decrease in revenue, together with the reduction in other income and increase in administrative expenses.

6MFY2027 vs 6MFY2026

Similarly to the quarterly results reported above, the Group posted lower revenue and pre-tax profit of RM111.6 million and RM13.5 million respectively for the six-month period ended 31 August 2026 ("6MFY2027"). This represented a decrease in revenue of RM61.4 million or 35.5% and a decrease in pre-tax profit of RM14.2 million or 51.3% compared to the corresponding financial period ("6MFY2026").

The decline in the Group's revenue and pre-tax profit for 6MFY2027 was primarily attributable to the Property Development Division, driven by completed projects from Helix2, Villa Natura, Kelisa Ria 2 and CSRV2, which offset against higher revenue recognised from Est8, following the post completion project close off and sales of completed properties. Additionally, there was a reduction in other income which was attributable to the absence of RM1.3 million liquidated damages recognised in the prior period for Helix2, together with increased staff costs in 6MFY2027. This impact was partially offset by lower finance costs.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B1 Review of Performance (cont'd)

The contribution from each of the Group's business division is as follows:

Property Development Division ("PDD")

PDD, as the largest contributor of the Group's revenue and profit, reported a decrease in revenue of RM26.4 million or 30.8% to RM59.2 million in Q2FY2027 from RM85.6 million in Q2FY2026. The reduction in revenue was mainly due to the completion of Villa Natura Phase 1 to 3, CSRV2, Kelisa Ria 2 and Helix in FY2026. This reduction was partially offset by higher revenue recognised from Est8, following the post-completion project close off in Q2FY2027. As a result, the division recorded a reduction in pre-tax profit of RM5.9 million or 38.6% to RM9.5 million from RM15.4 m recorded in Q2FY2026.

For the 6MFY2027, PDD's revenue decreased to RM104.9 million, compared to RM164.0 million in 6MFY2026, a decrease of RM59.1 million or 36.0%. In line with this lower revenue, PDD registered a lower pre-tax profit of RM16.0 million in 6MFY2027, a decrease of RM12.9 million or 44.5% from RM28.9 million recorded in 6MFY2026.

Construction Division ("CD")

CD's revenue is mainly derived from the sale of building materials to subcontractors for the Northern Region projects.

CD recorded lower revenue of RM0.6 million in Q2FY2027 and RM0.8 million in 6MFY2027, a decrease of RM0.4 million or 37.3%, and RM1.5 million or 66.6% respectively, compared to the corresponding financial quarter and financial period.

The decrease was driven by lower demand for building materials further to the completion of Villa Natura Phase 1 to 3 in FY2026.

Correspondingly, CD recorded a pre-tax profit of RM0.04 million in Q2FY2027 and RM0.08 million in 6MFY2027, compared to a pre-tax profit of RM0.1 million in Q2FY2026 and RM0.2 million in 6MFY2026. The decrease in pre-tax profit in Q2FY2027 was resulting from lower sales of building materials.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B1 Review of Performance (cont'd)

The contribution from each of the Group's business division is as follows (cont'd):

Chalet & Golf Management Division ("CGMD")

CGMD recorded lower revenue at RM2.2 million in Q2FY2027 and RM4.5 million in 6MFY2027, decreasing by RM0.5 million and RM0.7 million respectively. The reduction in revenue is mainly due to lesser golf tournaments or related events which has also impacted room revenue and food & beverage revenue.

CGMD further reported a higher pre-tax loss of RM1.0 million in Q2FY2027 and RM2.0 million, an increase of RM0.5 million or 104.4% and RM0.7 million or 52.5% compared to Q2FY2026 and 6MFY2026 respectively. This was in line with the lower revenue.

Others

The Others' division revenue represents rental income from the Group's investment properties. Total revenue maintained at RM0.7 million in both Q2FY2027 and Q2FY2026, RM1.4 million in both 6MFY2027 and 6MFY2026.

The division recorded a pre-tax loss of RM0.4 million in Q2FY2027 and RM0.6 million in 6MFY2027, compared to a pre-tax loss of RM0.1 million in both Q2FY2026 and 6MFY2026. The increase in pre-tax loss in Q1FY2027 and 6MFY2027 is primarily driven by increase in consultant fees for sustainability compliance and corporate related expenses.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B2 Comparison with Preceding Quarter's Results

	Quarter Ended		
	31.08.2026 Q2FY2027	31.05.2026 Q1FY2027	CHANGES
	RM'000	RM'000	RM'000
Revenue	**62,713**	48,870	13,843
Pre-tax Profit	**8,103**	5,403	2,700

The Group's revenue increased by RM13.8 million or 28.3% to RM62.7 million in Q2FY2027, compared to RM48.9 million in the immediate preceding quarter ended 31 May 2026 ("Q1FY2027"). The increase was mainly driven by higher revenue recognition of PDD's projects, Est8 and Villa Natura Phase 4, following post completion project close off in Q2FY2027.

In line with the higher revenue recognised, the pre-tax profit increased by RM2.7 million or 50.0% to RM8.1 million in Q2FY2027, compared to RM5.4 million in Q1FY2027. However, the pre-tax profit margin is higher mainly due to cost savings from Villa Natura Phase 4 following the post completion close off in Q2FY2027.

B3 Prospects

Malaysia's economy is projected to remain stable in Q2FY2027, supported by resilient domestic demand and ongoing infrastructure investments, though external risks from global trade and commodity price volatility persist.

In the property sector, demand for affordable and mid-market residential developments continues to be underpinned by favourable demographics and government incentives, while oversupply in high-rise and luxury segments weighs on absorption and pricing. Purchasers remain selective, with affordability and financing shaping decisions.

Cost pressures from construction materials and fuel remain elevated due to geopolitical tensions in the Middle East, requiring disciplined cost management. At the same time, infrastructure-linked growth corridors such as Greater Kuala Lumpur, Johor, and Penang present opportunities for well-located residential and industrial projects.

Against this backdrop, the Group remains focused on prudent project execution, cost efficiency, and product offerings aligned with market demand, while leveraging its established presence to sustain long-term growth and value creation.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B4 Profit Forecast

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

B5 Taxation

	Quarter Ended		Period Ended	
	31.08.2026	31.08.2025	31.08.2026	31.08.2025
	RM'000	RM'000	RM'000	RM'000
Current year taxation	4,655	4,334	7,121	8,163
Deferred taxation	(2,609)	(695)	(3,109)	(949)
	2,046	3,639	4,012	7,214

The effective tax rate of the Group for the financial quarter ended 31 August 2026 is higher than the statutory tax rate in Malaysia, primarily due to certain non-tax-deductible expenses and losses in certain subsidiaries which are not available to set off against taxable profits of other subsidiaries.

B6 Profit Before Tax

The following amounts have been included in arriving at Profit Before Tax:

	Quarter Ended		Period Ended	
	31.08.2026	31.08.2025	31.08.2026	31.08.2025
	RM'000	RM'000	RM'000	RM'000
Bad debts recovered	25	-	30	-
Interest income	885	763	1,916	1,558
Gain on disposal of property, plant and equipment	1	-	1	5
Other income	171	1,629	358	2,141
Interest expense	(236)	(957)	(585)	(1,668)
Depreciation and amortisation	(802)	(789)	(1,604)	(1,583)
Impairment loss on receivables	-	-	(9)	-
Share of profit/(loss) from a joint venture	5	-	(41)	-

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B7 Status of Corporate Proposal

There was no corporate proposal announced as at the date of this announcement.

As of 31 August 2026, the details of utilisation of proceeds raised from the Private Placement were as follows:

Details of utilisation	Timeframe for utilisation	Proposed utilisation	Actual utilisation	Balance unutilised
		RM'000	RM'000	RM'000
Part finance the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah	Within 49 months	17,586	(970)	16,616
Estimated expenses in relation to the private placement	Immediate	590	(590)	-
Total		18,176	(1,560)	16,616

B8 Group Borrowings and Debt Securities

Total Group borrowings and debt securities as of 31 August 2026 were as follows:

	Non-Current RM'000	Current RM'000	Total RM'000
Secured			
Term loans	156,301	27,430	183,731
Revolving credits	9,567	11,249	20,816
Bank overdrafts	-	756	756
	165,868	39,435	205,303

B9 Changes in Material Litigation

There were no changes in material litigation against the Group as at the reporting date.

B10 Dividend

On 23 July 2026, the Board of Directors approved and declared an interim single tier dividend of 2.2 sen (FY2026 – 2.2 sen) per ordinary share amounting to approximately RM3.2 million in respect of the financial year ending 28 February 2027. The interim dividend was paid on 10 September 2026 to shareholders whose names appear on the Company's Record of Depositors on 26 August 2026.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 AUGUST 2026

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B11 Earnings Per Share

The Earnings Per Share ("EPS") has been calculated by dividing the Group's net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue, as follows:

	Quarter Ended		Period Ended	
	31.08.2026	31.08.2025	31.08.2026	31.08.2025
Basic EPS				
Net profit attributable to equity holders of the Company (RM'000)	4,712	9,454	6,138	17,122
Weighted average number of ordinary shares ('000)	146,565	147,047	146,578	147,123
Basic EPS (sen)	3.21	6.43	4.18	11.64

B12 Authorised for Issue

The Condensed Consolidated Financial Statements were authorised for issuance by the Board of Directors on 23 October 2026.