

WawasanDengkil

WAWASAN DENGKIL HOLDINGS BERHAD

[Registration No. 202201013605 (1459302-T)]
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026

M & A Securities Sdn Bhd ("**M&A**"), being the Sponsor, was responsible for the admission of Wawasan Dengkil Holdings Berhad to the ACE Market of Bursa Malaysia Securities Berhad on 25 March 2025. M&A assumes no responsibility for the contents of the unaudited interim financial report for the third quarter ended 31 March 2026.

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 MARCH 2026 ⁽¹⁾**

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Revenue		36,007	40,627	138,583	134,677
Cost of sales		(30,619)	(34,482)	(123,143)	(114,895)
Gross profit		5,388	6,145	15,440	19,782
Other operating income		305	166	591	518
Net impairment gain/(loss) on financial assets		-	67	-	(86)
Administrative expenses		(3,720)	(2,600)	(7,597)	(6,375)
Other operating expenses		(219)	-	(402)	(64)
Profit from operations		1,754	3,778	8,032	13,775
Finance costs		(1,431)	(848)	(3,101)	(2,510)
Profit before tax		323	2,930	4,931	11,265
Tax expense	B5	(164)	(805)	(1,369)	(3,095)
Net profit/Total comprehensive income for the financial period		159	2,125	3,562	8,170
Net profit/Total comprehensive income for the financial period attributable to:					
Owners of the Company		267	2,125	3,671	8,170
Non-controlling interests		(108)	-	(109)	-
		159	2,125	3,562	8,170
Earnings Per Share ("EPS") attributable to Owners of the Company					
Basic and diluted EPS (sen) ⁽²⁾	B11	0.05	0.39	0.68	1.51

NOTES:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic and diluted EPS is calculated based on the Company's share capital of 540,128,760 ordinary shares in issue as at 31 March 2026 (31 March 2025: 540,128,760 shares).

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026 ⁽¹⁾**

	Note	Unaudited As at 31.03.2026 RM'000	Audited As at 30.06.2025 RM'000
Non-current assets			
Property, plant and equipment		71,706	59,264
Investment properties		2,945	2,945
Other investment		1,217	776
Total non-current assets		75,868	62,985
Current assets			
Inventories		233	178
Trade receivables		25,502	34,809
Contract assets		102,748	75,933
Other receivables, deposits and prepayments		11,655	8,373
Income tax receivable		862	-
Fixed deposits with licensed bank		9,658	2,234
Cash and bank balances		20,438	24,239
Total current assets		171,096	145,766
TOTAL ASSETS		246,964	208,751
Equity			
Share capital		86,176	86,176
Merger reserves		(59,494)	(59,494)
Retained earnings		79,403	75,732
		106,085	102,414
Non-controlling interest		(109)	-
Total equity		105,976	102,414
Non-current liabilities			
Bank borrowings	B8	4,658	3,738
Lease liabilities		31,506	15,929
Deferred tax liabilities		419	1,127
Total non-current liabilities		36,583	20,794
Current liabilities			
Trade payables		48,525	46,725
Contract liabilities		4,031	1,958
Other payables, accruals and deposits received		5,646	8,284
Bank borrowings	B8	36,643	17,331
Lease liabilities		9,560	10,993
Income tax payable		-	252
Total current liabilities		104,405	85,543
Total liabilities		140,988	106,337
TOTAL EQUITY AND LIABILITIES		246,964	208,751
NET ASSETS PER SHARE (RM) ⁽²⁾		0.20	0.19

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026 ⁽¹⁾ (CONTINUED)

NOTES:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares in issue of 540,128,760 shares as at 31 March 2026 (30 June 2025: 540,128,760 shares).

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 MARCH 2026 ⁽¹⁾**

	----- Attributable to Owners of the Company -----						Total Equity RM'000
	----- Non-distributable -----			Distributable	Sub-Total RM'000	Non-Controlling Interest RM'000	
	Share Capital RM'000	Invested Equity RM'000	Merger Reserves RM'000	Retained Earnings RM'000			
As at 1 July 2025 (Audited)	86,176	-	(59,494)	75,732	102,414	-	102,414
Net profit/Total comprehensive income for the financial period	-	-	-	3,671	3,671	(109)	3,562
As at 31 March 2026 (Unaudited)	86,176	-	(59,494)	79,403	106,085	(109)	105,976
As at 1 July 2024 (Audited)	(2) -	1,000	-	65,373	66,373	-	66,373
Transaction with owners:							
Issuance of shares pursuant to acquisition of a subsidiary	60,494	(1,000)	(59,494)	-	-	-	-
Issuance of share pursuant to Public Issue	27,006	-	-	-	27,006	-	27,006
Shares issuance expenses pursuant to the IPO	(1,324)	-	-	-	(1,324)	-	(1,324)
Net profit/Total comprehensive income for the financial period	-	-	-	8,170	8,170	-	8,170
As at 31 March 2025 (Unaudited)	86,176	-	(59,494)	73,543	100,225	-	100,225

NOTES:

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

(2) Represents less than RM1,000.

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 31 MARCH 2026 ⁽¹⁾**

	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year-to-date 31.03.2025 RM'000
Cash flow from operating activities		
Profit before tax	4,931	11,265
Adjustment for: -		
Bad debts written off	-	64
Depreciation of property, plant and equipment	10,051	10,404
Loss/(Gain) on disposal of property, plant and equipment	322	(152)
Net impairment loss on trade receivables	-	86
Interest expenses	3,101	2,510
Interest income	(24)	(38)
Operating profit before working capital changes	18,381	24,138
Changes in working capital:		
Inventories	(55)	(84)
Trade and other receivables	6,026	7,558
Contract assets	(26,814)	(22,001)
Trade and other payables	4,337	(1,866)
Contract liabilities	2,073	(1,718)
Cash generated from operations	3,948	6,027
Interest received	24	35
Income tax paid	(3,848)	(4,656)
Income tax refunded	657	-
Net cash generated from operating activities	781	1,406
Cash flow from investing activities		
Placement of pledged fixed deposits with licensed bank	(7,424)	(476)
Addition of other investment	(441)	-
Purchase of property, plant and equipment	(961)	(5,374)
Proceed from disposal of property, plant and equipment	338	152
Net cash used in investing activities	(8,488)	(5,698)
Cash flow from financing activities		
Proceeds from issuance of shares, net of share issue expenses	-	25,682
Interest paid	(2,767)	(2,510)
Repayment of invoice financing	(34,429)	(12,301)
Repayment of term loans	(3,815)	(1,392)
Repayment of lease liabilities	(8,718)	(12,524)
Drawdown of invoice financing	41,015	16,059
Drawdown of term loans	500	3,900
Drawdown of revolving credit	5,000	-
Subscription of shares in subsidiary by non-controlling interests	(2)-	-
Net cash (used in)/generated from financing activities	(3,214)	16,914
Net increase in cash and cash equivalents	(10,921)	12,622
Cash and cash equivalents at beginning of the financial period	22,139	6,521
Cash and cash equivalents at end of the financial period	11,218	19,143

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 31 MARCH 2026 ⁽¹⁾ (CONTINUED)**

	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year-to-date 31.03.2025 RM'000
Cash and cash equivalents comprise of:		
Cash and bank balances	20,438	24,393
Fixed deposits with licensed bank	9,658	1,452
	<u>30,096</u>	<u>25,845</u>
Less: Bank overdrafts	(9,220)	(5,250)
Less: Fixed deposits pledged with licensed bank	(9,658)	(1,452)
	<u>11,218</u>	<u>19,143</u>

NOTES:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Represents less than RM1,000.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

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

Notes To the Unaudited Interim Financial Report for the Third Quarter Ended 31 March 2026

A1. BASIS OF PREPARATION

The interim financial report of Wawasan Dengkil and its subsidiary (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Boards (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2025 except for the adoption of the following new accounting standards, amendments and interpretation.

MFRS (including the consequential amendments)	Effective Date	
Amendments to MFRS 121	‘The Effects of Changes in Foreign Exchange Rates’ – Lack of Exchangeability	1 January 2025

The adoption of the abovementioned MFRSs and amendments to MFRSs are expected to have no material impact on the financial statements of the Group and did not result in significant changes to the Group existing accounting policies.

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

MFRS (including the consequential amendments)	Effective Date	
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards– Volume 11	1 January 2026
Amendments to MFRS 7 and MFRS 9	‘Financial Instruments: Disclosures’ – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 7 and MFRS 9	‘Contracts Referencing Nature-dependent Electricity’	1 January 2026
MFRS 18	‘Presentation and Disclosure in Financial Statements’	1 January 2027
MFRS 19	‘Subsidiaries without Public Accountability: Disclosures’	1 January 2027
Amendments to MFRS 121	‘Translation to a Hyperinflationary Presentation Currency’	1 January 2027
Amendments to MFRS 10	‘Consolidated Financial Statements’ – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
Amendments to MFRS 128	‘Investment in Associates and Joint Ventures’ – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

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

A2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group plans to apply the abovementioned MFRS and amendments to MFRS where applicable to the Group, from the beginning of the financial year where they become effective.

The Group are currently assessing the impact of initial application of the above applicable MFRS and amendments to MFRS since the effect would only be observable in future financial years.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no qualification on the audited financial statements of the Group for the financial year ended 30 June 2025.

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. ITEMS OR INCIDENCE OF AN UNUSUAL NATURE

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and cumulative quarter ended 31 March 2026.

A6. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates during the current quarter and cumulative quarter ended 31 March 2026.

A7. DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A8. DIVIDEND PAID

There was no dividend paid in the current quarter and cumulative quarter ended 31 March 2026.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)****A9. SEGMENTAL INFORMATION**

The Group’s operating and reportable segments comprised of:

- (a) the provision of construction services;
- (b) the provision of trading of construction materials; and
- (c) the provision of machineries and commercial vehicles for hire; and
- (d) the provision of sales of electricity generated through solar plant.

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

Unaudited Current Quarter 31.03.2026	Construction services RM’000	Trading of construction materials RM’000	Hiring of machineries and commercial vehicles RM’000	Renewable energy generation⁽¹⁾ RM’000	Total RM’000
Revenue	33,737	2,270	-	-	36,007

Results

Depreciation of property, plant and equipment	(3,519)
Interest expenses	(1,431)
Interest income	3
Other income	302
Unallocated expenses	(31,039)
Profit before tax	323
Tax expense	(164)
Profit after tax	159

Unaudited Current Year-to-date 31.03.2026	Construction services RM’000	Trading of construction materials RM’000	Hiring of machineries and commercial vehicles RM’000	Renewable energy generation⁽¹⁾ RM’000	Total RM’000
Revenue	127,662	9,891	1,030	-	138,583

Results

Depreciation of property, plant and equipment	(10,051)
Interest expenses	(3,101)
Interest income	24
Other income	567
Unallocated expenses	(121,091)
Profit before tax	4,931
Tax expense	(1,369)
Profit after tax	3,562

NOTE:

(1) The renewable energy segment has yet to commence revenue generation during the period under review.

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

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

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

There was no valuation of property, plant and equipment and investment properties during the current quarter and cumulative quarter ended 31 March 2026.

A11. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter under review.

A13. CAPITAL COMMITMENTS

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred as at the date of this interim financial report.

	Unaudited As at 31.03.2026 RM'000	Audited As at 30.06.2025 RM'000
Approved but not contracted for:		
Purchase of machineries and commercial vehicles	<u>6,587</u>	<u>6,960</u>

A14. CONTINGENT LIABILITIES

The Group does not have any contingent liabilities which will or may substantially affect the financial results or position upon becoming enforceable as at the date of this interim financial report.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions of the Group are as follows:

	Individual Quarter		Cumulative Quarter	
	<u>31.03.2026</u> RM'000	<u>31.03.2025</u> RM'000	<u>31.03.2026</u> RM'000	<u>31.03.2025</u> RM'000
Related parties:				
- Office rental paid	36	30	108	90
Holding company:				
- Net repayment received	-	(136)	-	(136)

The related party transactions described above were carried out in the ordinary course of business and have been established under negotiated and mutually agreed terms.

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS

Notes To the Unaudited Condensed Consolidated Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

B1. REVIEW OF PERFORMANCE

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Revenue	36,007	40,627	138,583	134,677
Gross profit (" GP ")	5,388	6,145	15,440	19,782
Profit before tax (" PBT ")	323	2,930	4,931	11,265
Profit after tax (" PAT ")	159	2,125	3,562	8,170
GP Margin %	14.96	15.13	11.14	14.69
PBT Margin %	0.90	7.21	3.56	8.36
PAT Margin %	0.44	5.23	2.57	6.07

The Group recorded total revenue of RM36.01 million and RM138.58 million, respectively for current quarter and cumulative quarter under review, representing decreases as compared to RM40.63 million in the previous preceding year corresponding quarter and increased compared to RM134.68 million in the previous preceding year corresponding year-to-date. The revenue of the Group for third quarter ended 31 March 2026 mainly contributed by its construction services segment, contributing 93.70% and 92.12% of its total revenue for the current quarter and cumulative quarter under review respectively, which was largely contributed by Sungai Long Project, followed by contributions from the Fibre Optic and Central Spine Road projects.

For the current quarter and cumulative quarter under review, the Group recorded GP of RM5.39 million with GP margin of 14.96%, and GP of RM15.44 million with GP margin of 11.14% respectively. These represent a decrease as compared with GP of RM6.15 million with GP margin of 15.13% and GP of RM19.78 million with GP margin of 14.69% in the corresponding quarter and year-to-date of the preceding year.

The decrease in GP and GP margin during the current quarter, as compared to the corresponding quarter of the preceding year, was primarily attributable to the impact arising from the global increase in diesel prices, which adversely impacted projects with high diesel consumption, resulting in higher project operating costs. Other than that, construction progress for certain ongoing projects experienced a slight slowdown during the current quarter due to reduced operational activities during the festive period.

As a result, the Group recorded GP of RM5.39 million with GP margin of 14.96%, PBT of RM0.32 million with PBT margin of 0.90% and PAT of RM0.16 million with PAT margin of 0.44% for the current quarter under review.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B2. PERFORMANCE COMPARISON WITH PRECEDING QUARTER'S RESULTS

	<u>Individual Quarter</u>		<u>Variance</u>	
	<u>Unaudited Current Quarter 31.03.2026 RM'000</u>	⁽¹⁾ <u>Unaudited Preceding Quarter 31.12.2025 RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	36,007	49,393	(13,386)	(27.10)
GP	5,388	3,456	1,932	55.90
PBT	323	1,018	(695)	(68.27)
PAT	159	700	(541)	(77.29)
GP margin %	14.96	6.99		
PBT margin %	0.90	2.06		
PAT margin %	0.44	1.42		

The Group recorded revenue of RM36.01 million for the third quarter ended 31 March 2026, representing a decrease of 27.10% from RM49.39 million recorded in the preceding quarter. The decline in revenue was mainly attributable to reduced construction activities during the festive period. In addition, construction activities for the Fibre Optic Project were lower during the current quarter, as the planned project execution and work progress were slower during the period, nonetheless this remained in line with the overall project implementation schedule. Furthermore, several ongoing projects were approaching their final stages of completion, resulting in a reduced in overall construction activities during the current quarter.

The Group recorded a higher GP and GP margin of RM 5.39 million and 14.96% for the current quarter as compared to the preceding quarter's GP and GP margin of RM3.46 million and 6.99%. The increase was mainly attributable to additional job scope instructed by the customer under special arrangements, which were not part of the original contractual scope of works, and which carried a higher profit margin.

The Group's current quarter PBT and PAT stood at RM0.32 million and RM0.16 million, respectively, representing a decrease compared to RM1.02 million and RM0.70 million recorded in the preceding quarter. The decline was mainly attributable to higher professional fees incurred in relation to the Group corporate proposal on diversification and joint venture exercise, as well as pre-construction land lease expenses incurred for the development of the 70-megawatt large-scale solar photovoltaic plant.

B3. PROSPECTS AND OUTLOOK FOR THE CURRENT FINANCIAL YEAR

Budget 2026 ("**4th MADANI Budget**") continues to prioritise development initiatives under the 13th Malaysia Plan ("**13MP**"), with approximately RM81 billion allocated for development expenditure, emphasising on infrastructure, water, flood-mitigation and connectivity projects. This sustained focus is expected to support activity and tender opportunities in the local construction industry sector.

The Group is currently managing 17 ongoing construction projects with an unbilled contract value (order book) of RM442.54 million as at 31 March 2026. Save for the Sungai Long Project (unbilled contract value of RM95.93 million) which is expected to be realised within the next 4 financial years, the remaining order book is expected to sustain its earnings and cash flow over next 2 to 3 financial years. The Group's primary focus remains on the execution and completion of these ongoing infrastructure construction projects.

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B3. PROSPECTS AND OUTLOOK FOR THE CURRENT FINANCIAL YEAR (CONTINUED)

Looking ahead, the Group intends to expand its presence in the civil engineering services particularly for property development as well as highways and urban rail construction projects. The Group also ride on the national energy transition push with increased use of renewable energy as highlighted under the National Energy Transition Roadmap by participating in tenders for more solar farms related infrastructure works in the country. By leveraging on the Group's diversified customer base, the Group aims to secure more projects in the coming year.

In addition to its existing construction operations, the Group's long-term outlook is expected to be enhanced by its strategic move to diversify into the renewable energy and related activities business, as mentioned in Note B6. The renewable energy sector in Malaysia is entering a phase of accelerated growth, driven by the National Energy Transition Roadmap ("NETR"), the Government's ambition to increase renewable energy capacity, and the growing emphasis on environmental, social, and governance ("ESG") practices among corporates and investors.

This diversification represents a natural progression of the Group's business evolution. Having successfully delivered various solar-farm-related earthworks and civil engineering projects in recent years, the Group is now well-positioned to move up the value chain from infrastructure construction into direct participation in solar farm development, investment, and ownership. Through the Proposed Joint Venture, the Group aims to secure new long-term recurring income streams from solar energy assets, contributing to greater earnings resilience beyond construction-based revenues.

The Board is optimistic that this strategic shift will broaden the Group's business base, enhance value creation prospects and strengthen the Group's positioning in the renewable energy industry. Supported by the Group's existing expertise, industry connections and experience in executing renewable-energy-related civil engineering works, the Proposed Diversification is expected to unlock new opportunities for growth while aligning the Group with national sustainability goals and global ESG expectations.

Barring any unforeseen circumstances, the Board remains cautiously optimistic of achieving a satisfactory performance for the current financial year. The combination of steady operational progress, a disciplined financial management, a healthy order book, and the Group's entry into renewable energy initiatives provides a strong foundation for both near-term stability and long-term sustainable growth.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit estimation in any announcement or public document.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)****B5. INCOME TAX EXPENSE**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
In respect of current period:				
Income tax expense ⁽¹⁾	564	480	2,077	3,167
Deferred tax expense	<u>(400)</u>	<u>325</u>	<u>(708)</u>	<u>(72)</u>
	<u>164</u>	<u>805</u>	<u>1,369</u>	<u>3,095</u>
Effective tax rate (%)	⁽²⁾ 50.77	27.47	⁽²⁾ 27.76	27.48
Statutory tax rate (%)	24.00	24.00	24.00	24.00

NOTES:

- (1) Income tax expense is recognised based on management's best estimate.
- (2) The Group's effective tax rate for current quarter and year-to-date was higher than the statutory tax rate mainly due to higher non-deductible expenses, primarily arising from professional fees incurred in relation to the preparation of banking facilities applications, as well as professional fees associated with the Group's corporate proposal on diversification and joint venture exercises.

B6. STATUS OF CORPORATE PROPOSALS

There were no other corporate proposals announced but not implemented as at the date of this interim financial report.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026

PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B7. UTILISATION PROCEEDS FROM IPO

Pursuant to the IPO, the Company issued 108,025,800 Issue Shares at an issue price of RM0.25 per Issue Share, raising gross proceeds of approximately RM27.01 million.

As at 31 March 2026, the status of utilisation of proceeds arising from the IPO is stated in the following manner:

Utilisation proceeds of	RM'000	%	(1)Estimated timeframe for utilisation	Revised timeframe for utilisation (from 25.03.2025)	Actual utilisation up to 31.03.2026 RM'000	Balance unutilised RM'000
Purchase of machineries and commercial vehicles	7,580	28.1	Within 12 months	Within 24 months ⁽²⁾	(993)	6,587
Project working capital	9,850	36.5	Within 12 months	-	(9,850)	-
General working capital	1,426	5.3	Within 12 months	-	(1,426)	-
Repayment of bank borrowings	3,850	14.2	Within 6 months	Within 15 months ⁽³⁾	(2,180)	1,670
Office renovations	300	1.1	Within 12 months	-	(300)	-
Estimated listing expenses	4,000	14.8	Within 1 month	-	(4,000)	-
Total	27,006	100.0			(18,749)	8,257

Notes:

- (1) From the date of the Listing.
- (2) On 29 January 2026, the Board has deliberated and resolved to extend the timeframe for the utilisation of the IPO Proceeds allocated for purchase of machineries and commercial vehicles for an additional 12 months from original expiry date.
- (3) On 10 October 2025, the Board has deliberated and resolved to extend the timeframe for the utilisation of the IPO Proceeds allocated for repayment of bank borrowings for an additional 6 months from original expiry date. Subsequently on 27 March 2026, the Board further deliberated and resolved to extend the timeframe by an additional 3 months from the expiry date of the first revised timeframe.

The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 28 February 2025.

[The remainder of this page is intentionally left blank]

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)****B8. BANK BORROWINGS**

	Unaudited As at 31.03.2026 RM'000	Audited As at 30.06.2025 RM'000
<u>Current</u>		
Lease liabilities	9,560	10,993
Bank overdraft	9,220	2,100
Revolving credit	8,000	3,000
Term loans	3,967	3,361
Invoice financing	15,456	8,870
	46,203	28,324
<u>Non-current</u>		
Lease liabilities	31,506	15,929
Term loans	4,658	3,738
	36,164	19,667

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. MATERIAL LITIGATION

There was no material litigation involving the Group in the current financial quarter ended 31 March 2026.

B10. DIVIDEND

No dividend was declared or recommended by the Board for the current financial quarter 31 March 2026.

B11. EARNINGS PER SHARE

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year-to-date 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2025 RM'000
Profit attributable to the Owners of the Company	267	2,125	3,671	8,170
Number of ordinary shares (in thousand)	540,129	540,129	540,129	540,129
Basic and diluted EPS (sen) ⁽¹⁾	0.05	0.39	0.68	1.51

NOTE:

- (1) Basic and diluted EPS is calculated based on the Company's share capital of 540,128,760 ordinary shares as at 31 March 2026 (31 March 2025: 540,128,760 shares).

WAWASAN DENGKIL HOLDINGS BERHAD

Registration No. 202201013605 (1459302-T)

Unaudited Interim Financial Report for the Third (3rd) Quarter Ended 31 March 2026**PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)****B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Year Quarter 31.03.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2025 RM'000	Unaudited Current Year- to-date 31.03.2026 RM'000	Unaudited Preceding Year Year- to-date 31.03.2025 RM'000
Bad debt written off	-	-	-	64
Depreciation of property, plant and equipment	3,519	3,259	10,051	10,404
Loss/(Gain) on disposal of property, plant and equipment	213	(152)	322	(152)
Impairment on trade receivables, net	-	(67)	-	86
Interest income	(3)	(14)	(24)	(38)
Interest expenses	1,431	848	3,101	2,510
Rental expense	965	2,730	7,225	8,152

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 20 May 2026.

**BY ORDER OF THE BOARD
WAWASAN DENGKIL HOLDINGS BERHAD**