WAWASAN DENGKIL HOLDINGS BERHAD

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

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
30 JUNE 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 fourth quarter ended 30 June 2026.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 JUNE 2026 (1)

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited Current Quarter 30.06.2026 RM'000	**Unaudited Preceding Year Corresponding Quarter 30.06.2025 RM'000**	**Unaudited Current Year-to-date 30.06.2026 RM'000**	**Audited Preceding Year Corresponding Year-to-date 30.06.2025 RM'000**
Revenue		64,736	45,943	203,319	180,621
Cost of sales		(57,604)	(38,412)	(180,747)	(153,364)
Gross profit		**7,132**	**7,531**	**22,572**	**27,257**
Other operating income		778	636	1,369	1,149
Net impairment (loss)/gain on financial assets		(66)	82	(66)	(4)
Administrative expenses		(2,183)	(3,474)	(9,780)	(9,869)
Other operating expenses		-	-	(402)	(64)
Profit from operations		5,661	4,775	13,693	18,469
Finance costs		(808)	(826)	(3,909)	(3,336)
Profit before tax		**4,853**	**3,949**	**9,784**	**15,133**
Tax expense	B5	(1,219)	(1,604)	(2,588)	(4,774)
Net profit/Total comprehensive income for the financial period		**3,634**	**2,345**	**7,196**	**10,359**
Net profit/Total comprehensive income for the financial period attributable to:					
Owners of the Company		3,640	2,345	7,311	10,359
Non-controlling interests		(6)	-	(115)	-
		3,634	**2,345**	**7,196**	**10,359**
Earnings Per Share ("EPS") attributable to Owners of the Company					
Basic and diluted EPS (sen) (2)	B11	**0.67**	**0.83**	**1.35**	**3.64**

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 weighted average number of ordinary shares of 540,128,760 ordinary shares as at 30 June 2026 (30 June 2025: 284,714,414 shares).

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (1)

	Note	Unaudited As at 30.06.2026 RM'000	Audited As at 30.06.2025 RM'000
Non-current assets			
Property, plant and equipment		71,330	59,264
Investment properties		2,945	2,945
Other investment		1,220	776
Total non-current assets		**75,495**	**62,985**
Current assets			
Inventories		230	178
Trade receivables		24,170	34,809
Contract assets		120,639	75,933
Other receivables, deposits and prepayments		10,841	8,373
Income tax receivable		471	-
Fixed deposits with licensed bank		11,874	2,234
Cash and bank balances		17,991	24,239
Total current assets		**186,216**	**145,766**
TOTAL ASSETS		**261,711**	**208,751**
Equity			
Share capital		86,176	86,176
Merger reserves		(59,494)	(59,494)
Retained earnings		83,043	75,732
		109,725	102,414
Non-controlling interest		(115)	-
Total equity		**109,610**	**102,414**
Non-current liabilities			
Bank borrowings	B8	4,087	3,738
Lease liabilities		31,213	15,929
Deferred tax liabilities		1,248	1,127
Total non-current liabilities		**36,548**	**20,794**
Current liabilities			
Trade payables		61,676	46,725
Contract liabilities		51	1,958
Other payables, accruals and deposits received		7,835	8,284
Bank borrowings	B8	36,296	17,331
Lease liabilities		9,695	10,993
Income tax payable		-	252
Total current liabilities		**115,553**	**85,543**
Total liabilities		**152,101**	**106,337**
TOTAL EQUITY AND LIABILITIES		**261,711**	**208,751**
NET ASSETS PER SHARE (RM) (2)		0.20	0.19

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 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 30 June 2026 (30 June 2025: 540,128,760 shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 30 JUNE 2026 (1)

	Attributable to Owners of the Company						
	Non-distributable			Distributable			
	Share Capital RM'000	Invested Equity RM'000	Merger Reserves RM'000	Retained Earnings RM'000	Sub-Total RM'000	Non-Controlling Interest RM'000	Total Equity 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	-	-	-	7,311	7,311	(115)	7,196
As at 30 June 2026 (Unaudited)	**86,176**	**-**	**(59,494)**	**83,043**	**109,725**	**(115)**	**109,610**
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	-	-	-	10,359	10,359	-	10,359
As at 30 June 2025 (Audited)	**86,176**	**-**	**(59,494)**	**75,732**	**102,414**	**-**	**102,414**

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 JUNE 2026 (1)

	Unaudited Current Year-to-date 30.06.2026 RM'000	Audited Preceding Year-to-date 30.06.2025 RM'000
Cash flow from operating activities		
Profit before tax	9,784	15,133
Adjustment for: -		
Bad debts written off	-	64
Depreciation of property, plant and equipment	13,340	13,642
Loss/(Gain) on disposal of property, plant and equipment	270	(802)
Net impairment loss on trade receivables	66	4
Interest expenses	3,909	3,335
Interest income	(119)	(80)
Operating profit before working capital changes	**27,250**	**31,296**
Changes in working capital:		
Inventories	(52)	(133)
Trade and other receivables	8,106	(3,613)
Contract assets	(44,706)	(22,286)
Trade and other payables	19,543	6,001
Contract liabilities	(1,907)	(1,941)
Amount owing by holding company	-	136
Cash generated from operations	8,234	9,460
Interest received	119	76
Income tax paid	(3,848)	(6,271)
Income tax refunded	657	-
Net cash generated from operating activities	**5,162**	**3,265**
Cash flow from investing activities		
Placement of pledged fixed deposits with licensed bank	(9,640)	(1,257)
Addition of other investment	(444)	(203)
Purchase of property, plant and equipment	(1,184)	(927)
Proceed from disposal of property, plant and equipment	390	1,237
Net cash used in investing activities	**(10,878)**	**(1,150)**
Cash flow from financing activities		
Proceeds from issuance of shares, net of share issue expenses	-	25,682
Interest paid	(3,739)	(3,335)
Repayment of invoice financing	(49,297)	(19,914)
Repayment of term loans	(6,201)	(2,236)
Repayment of lease liabilities	(11,267)	(15,656)
Drawdown of invoice financing	59,365	24,812
Drawdown of term loans	500	4,150
Drawdown of revolving credit	5,000	-
Subscription of shares in subsidiary by non-controlling interests	(2) -	-
Net cash (used in)/generated from financing activities	**(5,639)**	**13,503**
Net (decrease)/increase in cash and cash equivalents	(11,355)	15,618
Cash and cash equivalents at beginning of the financial period	22,139	6,521
Cash and cash equivalents at end of the financial period	**10,784**	**22,139**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 JUNE 2026 [1] (CONTINUED)

	Unaudited Current Year-to-date 30.06.2026 RM'000	Audited Preceding Year-to-date 30.06.2025 RM'000
Cash and cash equivalents comprise of:		
Cash and bank balances	17,991	24,239
Fixed deposits with licensed bank	11,874	2,234
	29,865	26,473
Less: Bank overdrafts	(7,207)	(2,100)
Less: Fixed deposits pledged with licensed bank	(11,874)	(2,234)
	10,784	**22,139**

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.

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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 Fourth Quarter Ended 30 June 2026

A1. BASIS OF PREPARATION

The interim financial report of Wawasan Dengkil and its subsidiaries ("**the Group**") is 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 Board ("**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's 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
MFRS 20	'Regulatory Assets and Regulatory Liabilities'	1 January 2029
Amendments to MFRS 121	'Translation to a Hyperinflationary Presentation Currency'	1 January 2027
Amendments to MFRS 128	'Investment in Associates and Joint Ventures' – Amendments to Fair Value Option for Investments in Associates and Joint Ventures	when first applies MFRS 18
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 Join Ventures' – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

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 is 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 30 June 2026.

A6. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates during the current quarter and cumulative quarter ended 30 June 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 30 June 2026.

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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 30.06.2026	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	63,726	1,010	-	-	64,736
Results					
Depreciation of property, plant and equipment					(3,289)
Interest expenses					(808)
Interest income					95
Other income					683
Unallocated expenses					(56,564)
Profit before tax					**4,853**
Tax expense					(1,219)
Profit after tax					**3,634**

Unaudited Current Year-to-date 30.06.2026	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	191,388	10,901	1,030	-	203,319
Results					
Depreciation of property, plant and equipment					(13,340)
Interest expenses					(3,909)
Interest income					119
Other income					1,250
Unallocated expenses					(177,655)
Profit before tax					**9,784**
Tax expense					(2,588)
Profit after tax					**7,196**

NOTE:

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

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 30 June 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 30.06.2026 RM'000	Audited As at 30.06.2025 RM'000
Approved but not contracted for:		
Purchase of machineries and commercial vehicles	6,587	6,960

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.

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

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

	Individual Quarter		Cumulative Quarter	
	30.06.2026 RM'000	30.06.2025 RM'000	30.06.2026 RM'000	30.06.2025 RM'000
Related parties:				
- Office rental paid	36	32	144	122
- Labour charges	N/A	N/A	N/A	3
- Payment on behalf by	N/A	(1) -	N/A	N/A
Holding company:				
- Net repayment received	N/A	N/A	N/A	136

NOTE:

(1) Represents less than RM1,000.

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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 Fourth (4th) Quarter Ended 30 June 2026

B1. REVIEW OF PERFORMANCE

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Quarter 30.06.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2025 RM'000	Unaudited Current Year-to-date 30.06.2026 RM'000	Audited Preceding Year Corresponding Year-to-date 30.06.2025 RM'000
Revenue	64,736	45,943	203,319	180,621
Gross profit ("**GP**")	7,132	7,531	22,572	27,257
Profit before tax ("**PBT**")	4,853	3,949	9,784	15,133
Profit after tax ("**PAT**")	3,634	2,345	7,196	10,359
GP Margin %	11.02	16.39	11.10	15.09
PBT Margin %	7.50	8.60	4.81	8.38
PAT Margin %	5.61	5.10	3.54	5.74

The Group recorded total revenue of RM64.74 million and RM203.32 million, respectively for current quarter and cumulative quarter under review, representing increases as compared to RM45.94 million and RM180.62 million in the preceding year corresponding quarter and preceding year corresponding year-to-date. The revenue of the Group for fourth quarter ended 30 June 2026 mainly contributed by its construction services segment, contributing 98.44% and 94.13% 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 RM7.13 million with GP margin of 11.02%, and GP of RM22.57 million with GP margin of 11.10% respectively. These represent a decrease as compared with GP of RM7.53 million with GP margin of 16.39% and GP of RM27.26 million with GP margin of 15.09% 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 global increase in diesel prices, which adversely impacted projects with high diesel consumption, resulting in higher project operating costs. Other than that, the decrease in GP was also attributable to higher actual construction costs incurred for the Setia Alaman Project. Such additional costs arose from unforeseen site conditions encountered during the later stage of the project, which necessitated changes to the construction methodology and resulted in higher project costs incurred.

For the cumulative quarters ended 30 June 2026, the Group recorded a PBT and PAT of RM9.78 million and RM7.20 million respectively, representing a significant decrease compared with the preceding year cumulative quarter. The decrease was mainly attributable to lower GP and GP margin, arising from higher actual project costs due to the increase in global diesel prices and additional costs incurred for adjustment on construction method.

Consequently, the Group recorded lower PBT and PAT margins of 4.81% and 3.54%, respectively, for the cumulative period under review, compared with the corresponding period of the preceding year.

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

B2. PERFORMANCE COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Individual Quarter		Variance	
	Unaudited Current Quarter 30.06.2026 RM'000	(1) Unaudited Preceding Quarter 31.03.2026 RM'000	RM'000	%
Revenue	64,736	36,007	28,729	79.79
GP	7,132	5,388	1,744	32.37
PBT	4,853	323	4,530	1402.48
PAT	3,634	159	3,475	2185.53
GP margin %	11.02	14.96		
PBT margin %	7.50	0.90		
PAT margin %	5.61	0.44		

The Group recorded revenue of RM64.74 million for the fourth quarter ended 30 June 2026, representing an increase of 79.79% from RM36.01 million recorded in the preceding quarter. Revenue for the current quarter increased significantly as compared with the preceding quarter, primarily due to the commencement of the Bandar Serendah Project in March 2026 and increased construction activities across several existing projects, which had entered their peak construction phase during the current quarter.

The Group recorded a higher GP of RM7.13 million for the current quarter, compared with RM5.39 million in the preceding quarter. However, the GP margin decreased to 11.02% from 14.96% in the preceding quarter. Despite the increase in revenue, the Group's GP margin decreased during the current quarter, primarily due to revisions to the budgeted costs of several projects to reflect the increase in global diesel prices as higher diesel prices adversely affected projects involving diesel-intensive construction activities. The revised budgeted costs have incorporated the estimated impact of elevated diesel prices based on prevailing market conditions together with assumptions and forecasts published by market analyst. Accordingly, barring any further significant increase in diesel prices beyond the Group's current assumptions, the GP margins of the affected projects are expected to remain broadly consistent with the level recorded in the current quarter.

The Group's current quarter PBT and PAT stood at RM4.85 million and RM3.63 million, respectively, representing an increase compared to RM0.32 million and RM0.16 million recorded in the preceding quarter. The lower PBT and PAT in the preceding quarter was mainly attributable to higher professional fees incurred in connection with the Group's corporate proposals relating to its diversification and joint venture exercises, as well as staff bonuses recognised during the preceding quarter.

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 RM394.60 million as at 30 June 2026. Save for the Sungai Long Project (unbilled contract value of RM82.38 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.

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 intends to capitalise 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 farm-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. 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.

Looking ahead to the next financial year, the Board remains optimistic about the Group's prospects, particularly its strategic expansion into renewable energy and related activities. Nevertheless, the Board remains cautiously optimistic about the Group's longer-term prospects, supported by the progressive execution of its existing order book, disciplined financial management and strategic expansion into renewable energy. The Board believes these initiatives will strengthen the Group's business resilience and provide a foundation for sustainable growth over the longer term.

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.

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

B5. INCOME TAX EXPENSE

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Quarter 30.06.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2025 RM'000	Unaudited Current Year-to-date 30.06.2026 RM'000	Audited Preceding Year Corresponding Year-to-date 30.06.2025 RM'000
In respect of current period:				
Income tax expense [1]	390	1,542	2,467	4,745
Deferred tax expense	829	62	121	29
	1,219	**1,604**	**2,588**	**4,774**
Effective tax rate (%)	[2] 25.12	40.62	[2] 26.45	31.55
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 were 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.

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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 30 June 2026, the status of utilisation of proceeds arising from the IPO is stated in the following manner:

Utilisation of proceeds	RM'000	%	[1]Estimated timeframe for utilisation	Revised timeframe for utilisation (from 25.03.2025)	Actual utilisation up to 30.06.2026 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]	(3,850)	-
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**			**(20,419)**	**6,587**

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.

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

B8. BANK BORROWINGS

	Unaudited As at 30.06.2026 RM'000	Audited As at 30.06.2025 RM'000
Current		
Lease liabilities	9,695	10,993
Bank overdraft	7,207	2,100
Revolving credit	8,000	3,000
Term loans	2,151	3,361
Invoice financing	18,938	8,870
	45,991	**28,324**
Non-current		
Lease liabilities	31,213	15,929
Term loans	4,087	3,738
	35,300	**19,667**

The Group's 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 30 June 2026.

B10. DIVIDEND PROPOSED

No dividend was declared or recommended by the Board for the current financial quarter ended 30 June 2026.

B11. EARNINGS PER SHARE

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

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Quarter 30.06.2026 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2025 RM'000	Unaudited Current Year-to-date 30.06.2026 RM'000	Audited Preceding Year Corresponding Year-to-date 30.06.2025 RM'000
Profit attributable to the Owners of the Company	3,640	2,345	7,311	10,359
Weighted average number of ordinary shares (in thousand)	540,129	284,714	540,129	284,714
Basic and diluted EPS (sen) (1)	0.67	0.83	1.35	3.64

NOTE:

(1) Basic and diluted EPS is calculated based on the Company's weighted average number of ordinary shares of 540,128,760 ordinary shares as at 30 June 2026 (30 June 2025: 284,714,414 shares).

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 before tax is arrived after charging/(crediting):

	Individual Quarter		**Cumulative Quarter**	
	Unaudited Current Year Quarter 30.06.2026 RM'000	**Unaudited Preceding Year Corresponding Quarter 30.06.2025 RM'000**	**Unaudited Current Year-to-date 30.06.2026 RM'000**	**Audited Preceding Year Year Year-to-date 30.06.2025 RM'000**
Bad debt written off	-	-	-	64
Depreciation of property, plant and equipment	3,289	3,237	13,340	13,642
(Gain)/Loss on disposal of property, plant and equipment	(52)	(649)	270	(802)
Impairment loss/(gain) on trade receivables, net	66	(82)	66	4
Interest income	(95)	(42)	(119)	(80)
Interest expenses	808	826	3,909	3,335
Rental expense	1,360	2,730	8,585	11,650

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 27 August 2026.

BY ORDER OF THE BOARD
WAWASAN DENGKIL HOLDINGS BERHAD