



KJTS GROUP BERHAD

Registration No. 202201020004 (1465701-T)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
31 MARCH 2025**

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the First Quarter Ended 31 March 2025⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current	Preceding Year	Current	Preceding Year
		Quarter	Corresponding	Year-to-date	Corresponding
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
Revenue		46,551	36,198	46,551	36,198
Cost of sales		(34,614)	(27,105)	(34,614)	(27,105)
Gross profit ("GP")		11,937	9,093	11,937	9,093
Other income		521	613	521	613
Administrative expenses		(7,621)	⁽²⁾ (9,761)	(7,621)	⁽²⁾ (9,761)
Changes on impairment of financial instruments and contract assets		(32)	13	(32)	13
Finance costs		(155)	(76)	(155)	(76)
Share of results of associates		10	(34)	10	(34)
Profit/(Loss) before tax ("PBT")/("LBT")	B12	4,660	(152)	4,660	(152)
Tax expenses		(433)	(618)	(433)	(618)
Profit/(Loss) after tax ("PAT")/("LAT")		4,227	(770)	4,227	(770)
Other comprehensive income/(loss) for the financial period		35	(78)	35	(78)
Total comprehensive income/(loss) for the financial period		4,262	(848)	4,262	(848)
Profit/(Loss) for the financial period attributable to:					
- Owners of the Company		4,229	(838)	4,229	(838)
- Non-controlling interests		(2)	68	(2)	68
		4,227	(770)	4,227	(770)
Total comprehensive income/(loss) for the financial period attributable to:					
- Owners of the Company		4,268	(880)	4,268	(880)
- Non-controlling interests		(6)	32	(6)	32
		4,262	(848)	4,262	(848)
Earnings/(Loss) per share ("EPS")/("LPS")					
- Basic (sen)	B11	0.61	(0.12)	0.61	(0.12)
- Diluted (sen)	B11	0.61	(0.12)	0.61	(0.12)

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the First Quarter Ended 31 March 2025 (cont'd)⁽¹⁾

NOTES:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of KJTS Group Berhad (“**KJTS**” or the “**Company**”) and its subsidiaries (the “**Group**”) for the financial year ended (“**FYE**”) 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Administrative expenses included non-recurring listing expenses of RM4.26 million for the preceding financial year-to-date ended 31 March 2024. For illustration purposes only, the Group’s financial performance after adjusting for the non-recurring listing expenses is disclosed in Note B1 in this interim financial report.

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
Unaudited Condensed Consolidated Statement of Financial Position as at 31 March 2025⁽¹⁾

	As at 31.03.2025	As at 31.12.2024
	Unaudited	Audited
Note	RM'000	RM'000
Non-current assets		
Property, plant, and equipment	2,060	1,591
Right-of-use assets	3,788	3,499
Investment properties	668	670
Investment in associates	850	839
Concession receivables	13,945	14,141
Goodwill on consolidation	1,808	1,808
Other receivables	71	597
Tax recoverable	121	122
	23,311	23,267
Current assets		
Concession receivables	1,662	1,996
Short-term investments	51,088	58,255
Inventories	129	106
Trade receivables	37,243	26,834
Other receivables	17,168	10,642
Contract assets	21,323	15,698
Amount due from associates	2,774	2,487
Tax recoverable	1,442	1,138
Fixed deposit with a licensed bank	2,364	2,349
Cash and bank balances	7,475	6,953
	142,668	126,458
Total assets	165,979	149,725
Equity		
Share capital	100,163	99,120
Option reserve	2,426	2,413
Other reserve	(3)	(3)
Foreign currency translation reserve	168	129
Retained earnings	51,440	47,211
Merger reserve	(34,938)	(34,938)
Equity attributable to owners of the Company	119,256	113,932
Non-controlling interests	(227)	(221)
Total equity	119,029	113,711

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
Unaudited Condensed Consolidated Statement of Financial Position as at 31 March 2025 (cont'd)⁽¹⁾

		As at 31.03.2025	As at 31.12.2024
		Unaudited	Audited
	Note	RM'000	RM'000
Non-current liabilities			
Bank borrowings	B8	5,024	3,052
Lease liabilities		2,240	2,157
Employee benefit obligations		114	101
Deferred tax liabilities		4	4
		<u>7,382</u>	<u>5,314</u>
Current liabilities			
Trade payables		16,044	13,620
Other payables		19,072	13,206
Contract liabilities		968	1,087
Bank overdraft		753	*
Bank borrowings	B8	1,329	1,341
Lease liabilities		1,121	1,170
Tax payable		281	276
		<u>39,568</u>	<u>30,700</u>
Total liabilities		<u>46,950</u>	<u>36,014</u>
Total equity and liabilities		<u>165,979</u>	<u>149,725</u>
Net assets per ordinary share attributable to owners of the Company (RM) ⁽²⁾		0.17	0.17

NOTES:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
 - (2) Net assets per ordinary share is calculated based on the Company's ordinary shares in issue as at 31 March 2025 of 688,747,485 shares (31 December 2024: 688,000,000 shares).
- * Less than RM1,000

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025

Unaudited Condensed Consolidated Statement of Changes in Equity for the First Quarter Ended 31 March 2025⁽¹⁾

	Attributable to Owners of the Company						Non-Controlling Interests	Total Equity
	Non-Distributable					Distributable		
	Share Capital	Foreign Currency Translation Reserve	Option Reserve	Other Reserve	Merger Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2024 (Audited)/ 1 January 2025	99,120	129	2,413	(3)	(34,938)	47,211	(221)	113,711
Profit/(Loss) for the financial period	-	-	-	-	-	4,229	(2)	4,227
Other comprehensive income/(loss) for the financial period	-	39	-	-	-	39	(4)	35
Total comprehensive income/(loss) for the financial period	-	39	-	-	-	4,229	(6)	4,262
Transactions with owners:								
Issuance of shares pursuant to executives' share option scheme ("ESOS")	1,043	-	(841)	-	-	202	-	202
Share options granted under ESOS	-	-	860	-	-	860	-	860
Share options forfeited under ESOS	-	-	(6)	-	-	(6)	-	(6)
	1,043	-	13	-	-	1,056	-	1,056
At 31 March 2025 (Unaudited)	100,163	168	2,426	(3)	(34,938)	51,440	(227)	119,029

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025

Unaudited Condensed Consolidated Statement of Changes in Equity for the First Quarter Ended 31 March 2025 (cont'd)⁽¹⁾

	Attributable to Owners of the Company						Non-Controlling Interests	Total Equity
	Non-Distributable					Distributable		
	Share Capital	Foreign Currency Translation Reserve	Option Reserve	Other Reserve	Merger Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2023 (Audited)/ 1 January 2024	41,828	580	-	76	(34,938)	42,724	(278)	49,992
(Loss)/Profit for the financial period	-	-	-	-	-	(838)	68	(770)
Other comprehensive loss for the financial period	-	(42)	-	-	-	(42)	(36)	(78)
Total comprehensive (loss)/income for the financial period	-	(42)	-	-	-	(838)	32	(848)
Transactions with owners:								
Issuance of shares pursuant to initial public offering	58,867	-	-	-	-	-	-	58,867
Share issuance expenses	(1,575)	-	-	-	-	(1,575)	-	(1,575)
	57,292	-	-	-	-	-	-	57,292
At 31 March 2024 (Unaudited)	99,120	538	-	76	(34,938)	41,886	(246)	106,436

NOTE:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
Unaudited Condensed Consolidated Statements of Cash Flows for the First Quarter Ended 31 March 2025⁽¹⁾

	Current Year-to-date 31.03.2025 Unaudited RM'000	Preceding Year Corresponding Year-to-date 31.03.2024 Unaudited RM'000
OPERATING ACTIVITIES		
Profit/(Loss) before tax	4,660	(152)
Adjustments for: -		
Depreciation of property, plant, and equipment	206	174
Depreciation of right-of-use assets	305	174
Depreciation of investment properties	2	2
Gain on disposal of property, plant and equipment	(4)	(216)
Loss on early termination of lease contracts	9	-
Impairment losses on trade receivables and contract assets	32	-
Reversal of impairment losses on trade receivables	-	(13)
Dividend income from financial assets measured at fair value through profit or loss	(421)	-
Interest income	(230)	(64)
Provision for employee benefits	14	6
Finance costs	347	76
ESOS expenses	854	-
Share of results of associates	(10)	34
Unrealised (gain)/loss on foreign exchange	(1)	9
Operating profit before changes in working capital	5,763	30
Changes in working capital:		
Inventories	(24)	(9)
Concession receivables	530	832
Receivables	(9,888)	709
Payables	8,521	2,136
Amount due from associates	(84)	(3,034)
Foreign exchange reserve	38	(87)
Contract assets	(5,745)	(4,998)
	(6,652)	(4,451)
Cash used in operations	(889)	(4,421)
Interest paid	(155)	(76)
Interest received	27	41
Income tax paid	(704)	(526)
	(832)	(561)
Net cash used in operating activities	(1,721)	(4,982)

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
Unaudited Condensed Consolidated Statements of Cash Flows for the First Quarter Ended 31 March 2025 (cont'd)⁽¹⁾

	Current Year-to-date 31.03.2025 Unaudited RM'000	Preceding Year Corresponding Year-to-date 31.03.2024 Unaudited RM'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(674)	(111)
Purchase of right-of-use assets	(28)	(236)
Proceeds from disposal of property, plant and equipment	4	216
Additional investment in financial assets measured at fair value through profit or loss	-	*
Additional investment in an associate	-	(30)
Deposit paid for acquisition of a subsidiary	(6,550)	-
Net changes in amount due from associates	-	888
Net cash (used in)/from investing activities	(7,248)	727
FINANCING ACTIVITIES		
Proceeds from issuance of shares	202	58,867
Increased in fixed deposit pledged to a licensed bank	(15)	(16)
Payment of lease liabilities	(574)	(163)
Drawdown of borrowings	2,251	-
Repayment of borrowings	(292)	(305)
Net cash from financing activities	1,572	58,383
Net (decrease)/increase in cash and cash equivalents	(7,397)	54,128
Cash and cash equivalents at the beginning of the financial period	65,207	11,625
Cash and cash equivalents at the end of the financial period ⁽²⁾	57,810	65,753

NOTES:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Cash and cash equivalents at the end of the financial period consist of:

	As at 31.03.2025 Unaudited RM'000	As at 31.03.2024 Unaudited RM'000
Short-term investments	51,088	-
Cash and bank balances	7,475	65,753
Fixed deposit with a licensed bank	2,364	2,304
Bank overdraft	(753)	-
	60,174	68,057
Less: Fixed deposit pledged to a licensed bank	(2,364)	(2,304)
	57,810	65,753

* Less than RM1,000

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING****A1. BASIS OF PREPARATION**

The interim financial report of the Group is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board, Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the FYE 31 December 2024 except for the adoption of the following new MFRSs and Amendments to MFRSs that become effective for the financial period beginning on 1 January 2025:

Amendments to MFRS 121 Lack of Exchangeability

The new and amended standards that are issued, but not yet effective and have not been adopted by the Group are as follows:

		Effective Date
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11:		
• Amendments to MFRS 1		
• Amendments to MFRS 7		
• Amendments to MFRS 9		
• Amendments to MFRS 10		
• Amendments to MFRS 107		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 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intends to adopt these new and amended standards, if applicable, when they become effective.

The initial application of the abovementioned new and amended standards, where applicable, is not expected to have any material impact on the financial statements of the Group.

A3. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates during the current financial quarter and financial year-to-date under review.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A4. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Group for the preceding FYE 31 December 2024 were issued without any qualifications.

A5. SEASONAL OR CYCLICAL FACTORS

The Group's performance has not been materially affected by any seasonal and cyclical factors during the current financial quarter and financial year-to-date under review.

A6. ITEMS OR INCIDENCES OF AN UNUSUAL NATURE

There were no material and unusual items affecting the assets, liabilities, equity, net income, or cash flows of the Group during the current financial quarter and financial year-to-date under review.

A7. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Save as disclosed below, there were no material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report:

On behalf of the Board of Directors of KJTS, Hong Leong Investment Bank Berhad had on 3 February 2025, announced that the Company proposed to undertake the following:

- a) proposed acquisition by KJ Technical Services Sdn Bhd, a wholly-owned subsidiary of the Company, of 10,000,000 ordinary shares in Malakoff Utilities Sdn Bhd ("**MUSB**"), a wholly-owned subsidiary of Malakoff Corporation Berhad, representing 100% equity interest in MUSB, for a total cash consideration of RM65.50 million; and
- b) proposed variation of proceeds raised from the initial public offering of the Company pursuant to Rule 8.24 of the Listing Requirements.

(collectively referred to as the "**Proposals**")

The Company has issued the circular to the shareholders of the Company in relation to the Proposals on 9 May 2025. The Proposals were approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 27 May 2025.

A8. DEBT AND EQUITY SECURITIES

In conjunction with the Company's listing on the ACE Market of Bursa Securities ("**Listing**"), the Company has established a long-term incentive plan ("**LTIP**") of up to 10.00% of the total number of issued shares of the Company, comprising ESOS and executives' share grant scheme (ESGS), to be granted to the eligible persons of the Group who are eligible executive directors and eligible executives who meet the criteria of eligibility for participation in the LTIP in accordance with the By-Laws ("**Eligible Persons**"). The LTIP has taken effect on 23 January 2024. The LTIP shall be in force for a period of 5 years from 23 January 2024.

On 26 January 2024 and 12 November 2024, a total of 13,756,000 and 13,760,000 ESOS options respectively, have been offered to the Eligible Persons.

As of 31 March 2025, 747,485 additional ordinary shares have been issued pursuant to the exercise of the ESOS options by Eligible Persons.

Save as disclosed above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial year-to-date under review.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)****A9. DIVIDEND PAID**

There was no dividend paid during the current financial quarter under review and there was no dividend paid during the preceding year corresponding quarter.

A10. SEGMENTAL INFORMATION

The Group is principally involved in the following businesses:

Operating segments	Nature
(a) Cooling Energy	(a) Cooling energy management services which mainly involves the supply of chilled water for space cooling as well as providing operations and maintenance services for cooling energy systems. (b) Engineering, procurement, construction and commissioning (“EPCC”) of cooling energy system which mainly involves the construction of new, upgrading and / or retrofitting of cooling energy systems.
(b) Facilities Management	Facilities management services are mainly related to the repair and maintenance of machinery and equipment.
(c) Cleaning Services	Cleaning services to maintain the cleanliness, tidiness and hygiene of buildings and outdoor areas.
(d) Investment	Investment holding.

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)
A10. SEGMENTAL INFORMATION (CONT'D)
(a) Revenue by business activities

The table below sets out the breakdown of the Group's revenue by business activities for the financial quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Cooling Energy	26,808	19,068	26,808	19,068
Facilities Management	2,935	4,095	2,935	4,095
Cleaning Services	16,808	13,035	16,808	13,035
	46,551	36,198	46,551	36,198

The Cooling Energy and Cleaning Services segments within our building support services were the major revenue contributor during the financial quarter under review.

(b) Revenue by geographical market of customers

The table below sets out the breakdown of the Group's revenue by geographical market of customers for the financial quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Malaysia	37,310	29,163	37,310	29,163
Overseas:				
- Singapore	7,903	6,157	7,903	6,157
- Thailand	1,338	878	1,338	878
	46,551	36,198	46,551	36,198

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)****A12. CHANGES IN THE COMPOSITION OF THE GROUP**

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

A13. CAPITAL COMMITMENTS

There were no material capital commitments as at 31 March 2025.

A14. CONTINGENT ASSETS OR CONTINGENT LIABILITIES

Save as disclosed below, as at the date of this interim financial report, there are no contingent assets and contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the financial position of the Group:

	RM'000
Bank guarantee for tender bond, performance bond, and corporate bank guarantee provided to third parties for our Group's projects	5,375
Corporate guarantee given to licensed banks for credit facilities obtained by subsidiaries	59,953
	<u>65,328</u>

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

Save as disclosed below, there were no significant related party transactions during the current financial quarter and financial year-to-date:

	Current Quarter 31.03.2025 Unaudited RM'000	Preceding Year Corresponding Quarter 31.03.2024 Unaudited RM'000	Current Year-to-date 31.03.2025 Unaudited RM'000	Preceding Year Corresponding Year-to-date 31.03.2024 Unaudited RM'000
Transactions with associates:				
Income				
Sales	900	4,133	900	4,133
Management fee received/ receivable	6	6	6	6
Interest received/receivable	11	23	11	23
Expenses				
Purchases	463	423	463	423
Interest paid/payable	-	*	-	*
Transactions with related parties:				
Income				
Sales	7	7	7	7

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)****Expenses**

Purchases	-	29	-	29
Administrative expenses paid/payable	1	5	1	5
Interest paid/payable	33	14	33	14
Rental paid/payable	-	10	-	10

NOTE:

* Less than RM1,000

A16. FAIR VALUE OF FINANCIAL LIABILITIES

There were no gains or losses arising from fair value changes in the Group's financial liabilities for the current financial quarter under review.

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS
B1. REVIEW OF PERFORMANCE

	QUARTER ENDED			YEAR-TO-DATE ENDED		
	31.03.2025	31.03.2024	Changes (RM'000/%)	31.03.2025	31.03.2024	Changes (RM'000/%)
	Unaudited	Unaudited		Unaudited	Unaudited	
	RM'000	RM'000		RM'000	RM'000	
Revenue	46,551	36,198	10,353/29%	46,551	36,198	10,353/29%
Gross profit	11,937	9,093	2,844/31%	11,937	9,093	2,844/31%
PBT	4,660	(152)	4,812/3166%	4,660	(152)	4,812/3166%
PAT	4,227	(770)	4,997/649%	4,227	(770)	4,997/649%
Profit/(Loss) attributable to owners of the Company	4,229	(838)	5,067/605%	4,229	(838)	5,067/605%

The Group recorded revenue of RM46.55 million for the current financial quarter ended 31 March 2025. The Group's revenue was mainly attributable to the Cooling Energy and Cleaning Services segments within building support services for the current financial quarter under review. The Cooling Energy and Cleaning Services segments recorded revenue of RM26.81 million (57.59% of the Group's revenue) and RM16.81 million (36.11% of the Group's revenue), respectively, for the current financial quarter under review. The Group achieved a strong growth of RM10.35 million (or 28.59%) in revenue as compared to the same period last year. This is mainly contributed by the recently secured EPCC projects of the Cooling Energy segment and the steadily growing customer base in our Cleaning Services segment in the current quarter under review.

Malaysia was our largest overall market and recorded revenue of RM37.31 million (80.15% of the Group's revenue) for the current financial quarter under review. Singapore was our largest foreign market and recorded revenue of RM7.90 million (16.97% of the Group's revenue) for the current financial quarter under review.

The Group reported PBT of RM4.66 million for the current quarter compared to LBT of RM0.15 million in the corresponding quarter of the previous financial year, representing an increase of RM4.81 million. The higher PBT is mainly due to the absence of listing expenses in the current financial quarter ended 31 March 2025 (as compared to non-recurring listing expenses of RM4.26 million which were included in administrative expenses in the corresponding quarter of the previous financial year) and increase in gross profit from recent EPCC projects.

NOTE:

- (1) Administrative expenses included non-recurring listing expenses of RM4.26 million for the preceding financial quarter ended 31 March 2024. For illustration purposes only, the Group's financial performance after adjusting for the non-recurring listing expenses is as follows:

	INDIVIDUAL QUARTER			
	Current Quarter		Preceding Year Corresponding Quarter	
	31.03.2025	31.03.2024	Variance	
	Unaudited	Unaudited		
	RM'000	RM'000	RM'000	%
PBT/LBT	4,660	(152)	4,812	3165.79
Add: Listing expenses	-	4,257	(4,257)	-100.00
Adjusted PBT	4,660	4,105	555	13.52
PAT/LAT	4,227	(770)	4,997	648.96
Add: Listing expenses	-	4,257	(4,257)	-100.00
Adjusted PAT	4,227	3,487	740	21.22

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B2. VARIANCE OF RESULTS AGAINST PRECEDING QUARTER**

	INDIVIDUAL QUARTER			%
	Current	Preceding	Variance	
	Quarter	Quarter		
	31.03.2025	31.12.2024		
	Unaudited	Unaudited	Unaudited	
	RM'000	RM'000	RM'000	
Revenue	46,551	39,029	7,522	19.27
PBT	4,660	3,614	1,046	28.94

The Group recorded a revenue of RM46.55 million for the current financial quarter ended 31 March 2025 which is 19.27% higher than the revenue recorded in the preceding financial quarter ended 31 December 2024 of RM39.03 million. The increase in the revenue was contributed by higher revenue recognised from Cooling Energy segment and Cleaning Services segment in the current quarter. Cooling Energy segment contributed the highest revenue increase by RM7.33 million in the current financial quarter ended 31 March 2025 as compared to the preceding quarter ended 31 December 2024, which is due to substantial progress in the recent EPCC projects in the current quarter. Cleaning Services segment reported revenue increase of RM0.77 million in the current financial quarter ended 31 March 2025 as compared to the preceding quarter ended 31 December 2024. The increase in revenue for the Cleaning Services segment is attributed to the onboarding of several new clients in the current quarter. Meanwhile, Facilities Management segment reported revenue decrease of RM0.58 million in the current financial quarter ended 31 March 2025 as compared to the preceding quarter ended 31 December 2024. The decrease in revenue for the Facilities Management segment in the current quarter is brought on by the cyclical major annual end of year maintenance for this segment's key clients in the preceding quarter.

The Group recorded a PBT of RM4.66 million for the current financial quarter ended 31 March 2025 as compared to a PBT of RM3.61 million in the preceding quarter ended 31 December 2024, mainly due to higher gross profit recorded by every segment during the current quarter as a result of higher revenue generated and improved cost management.

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B3. PROSPECTS AND OUTLOOK FOR THE CURRENT FINANCIAL PERIOD**

Malaysia's economic momentum continued into 2025, albeit at a moderated pace. Malaysia's advance GDP estimates showed a growth of 4.4 per cent in the first quarter of 2025, compared to 5.0 per cent in the preceding quarter¹. On 6 March 2025, Bank Negara Malaysia's Monetary Policy Committee maintained the Overnight Policy Rate (OPR) at 3%², reinforcing confidence in the country's economic stability amid evolving global dynamics.

Externally, recent global developments from trade policy movement in the United States have triggered potential disruptions in global trade flows. However, KJTS Group remains cautiously optimistic. With a diversified operational presence in Malaysia, Singapore, and Thailand, and an expanding service portfolio anchored in long-term contracts, the Group is well-positioned to navigate external headwinds and maintain operational stability.

Under Regulatory Period 4, which will commence on 1 July 2025, Malaysia's electricity base tariff is proposed to be revised to 45.62 sen per kilowatt-hour ("kWh")³, up from 39.95 sen/kWh under Regulatory Period 3⁴. This upward adjustment is expected to further accelerate demand for efficient and cost-effective energy solutions. In tandem, Budget 2025 outlines a series of forward-looking sustainability initiatives, including RM300.00 million allocated to the National Energy Transition Roadmap and a potential carbon tax by 2026 and RM1.40 billion dedicated to climate adaptation initiatives⁵. These policies form a conducive environment for the Group's growth, particularly in cooling energy infrastructure and energy-as-a-service models.

During the current quarter, KJTS made significant strides in expanding its market presence and strengthening its recurring income base through a series of key strategic initiatives. A major highlight was the proposed acquisition of MUSB for RM65.50 million, expected to be completed by the second quarter of 2025. This strategic move gives KJTS Group full control over the district cooling system at Kuala Lumpur Sentral ("KL Sentral"), which supplies chilled water to 10 buildings within the commercial and residential transit hub at KL Sentral and holds the exclusive right to distribute up to 153 megawatt of electricity within KL Sentral and its surrounding developments. This acquisition not only delivers immediate earnings accretion but also positions KJTS Group to expand its role in Malaysia's urban energy infrastructure.

Domestically, KJTS has also entered into a strategic collaboration agreement with FBG Land Sdn Bhd and the Penang Development Corporation for the development and construction of a district cooling plant at the Medi-City in Batu Kawan, Penang. The agreement covers land allocation, plant development, and a future commitment for operations and maintenance, solidifying the Group's foothold in large-scale healthcare and mixed-use development zones. In Johor, the Group was awarded a new facility management services contract at Marlborough College Malaysia by M East Sdn Bhd, further adding to its stable of institutional clients.

Furthermore, we are expanding our service portfolio through strategic partnerships. On 19 February 2025, our wholly-owned subsidiary, KJ Technical Services Sdn Bhd entered into a joint venture agreement ("JV") with iHandal Holdings Sdn Bhd, forming KJTS iHandal Sdn Bhd, which will serve as a business development and profit centre. This partnership leverages our expertise in cooling energy management and iHandal's proficiency in heat recovery solutions, enabling us to offer integrated, energy-efficient solutions to a broader clientele. In a similar move, we established KJCyclect Pte Ltd, a JV with Cyclect Investments Pte Ltd, to deliver innovative and sustainable cooling energy services and facilities management services to commercial and industrial clients in Singapore, marking our strategic entry into a high-potential regional market.

On 5 March 2025, KJTS entered into a 20-year service agreement with Pacific Trustees Berhad on behalf of KIP Real Estate Investment Trust. This contract involves retrofit works, ongoing operation and maintenance services, and the supply of chilled water to seven KIPMall sites across Malaysia. The project, valued at RM25.27 million, further enhances our long-term revenue visibility and strengthens our position in the energy efficiency space.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

Moreover, in March 2025, KJTS formalised a strategic JV with Stonepeak Kelvin Holdings Limited, an affiliate of global infrastructure investment firm Stonepeak Partners LP, which manages approximately USD73.00 billion of assets⁶. This partnership paves the way for co-investment and ownership of cooling assets, unlocking long-term institutional capital to support KJTS Group's future asset-backed expansion. The JV entity will target investments of up to RM1.5 billion in cooling infrastructure assets to support Malaysia's growing energy demands and accelerate the transition toward more sustainable cooling solutions.

In view of the above, KJTS enters financial year 2025 with strengthened operational depth, expanded regional presence, and long-term revenue visibility. Supported by a resilient Malaysian economy, a stable monetary policy environment, and government incentives that favor energy transition investments, the Group remains confident in its outlook. Amid global uncertainties, KJTS will continue to focus on innovation, strategic partnerships, and disciplined execution to deliver sustainable growth and value to its stakeholders.

NOTES:

- (1) Source: *Advance Gross Domestic Product (GDP) Estimates First Quarter 2025, Media Statement (18 April 2025), Department of Statistics Malaysia, Ministry of Economy*
- (2) Source: *Monetary Policy Statement (6 March 2025), Bank Negara Malaysia*
- (3) Source: *Tenaga Nasional Berhad: Regulatory Period 4 Implementation, Bursa Securities Announcement (26 December 2024)*
- (4) Source: *Annual Report 2022, Energy Commission*
- (5) Source: *Budget Speech, Belanjawan 2025, Ministry of Finance*
- (6) Source: *<https://stonepeak.com> (Date accessed: 28 May 2025)*

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)
B4. PROFIT FORECAST OR PROFIT GUARANTEE

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

B5. TAX EXPENSES

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2025	Preceding Year Corresponding Quarter 31.03.2024	Current Year-to-date 31.03.2025	Preceding Year Corresponding Year-to-date 31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Tax expenses recognised in profit or loss				
Current tax expense ⁽¹⁾	433	618	433	618
Under provision in prior years	-	-	-	-
	433	618	433	618
Deferred tax				
Relating to origination and reversal of temporary differences	-	-	-	-
Under provision in prior years	-	-	-	-
	-	-	-	-
Tax expenses for the financial period	433	618	433	618
Effective tax rate (%)	9.3	(406.6)	9.3	(406.6)
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The effective tax rate was about 9.3% for the current financial quarter ended 31 March 2025 mainly due to the tax effects of the utilisation of unused tax losses being partially offset by ESOS expenses of RM0.85 million incurred in the current financial period which are non-deductible and resulted in the Group's effective tax rate being lower than the statutory tax rate.

NOTE:

(1) Income tax is recognised based on management's best estimate.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B6. STATUS OF CORPORATE PROPOSALS**

Save as disclosed below, there were no corporate proposals announced but not implemented as at the date of this interim financial report.

On behalf of the Board of Directors of KJTS, Hong Leong Investment Bank Berhad had on 3 February 2025, announced that the Company proposed to undertake the Proposals. The Company has issued the circular to the shareholders of the Company in relation to the Proposals on 9 May 2025. The Proposals were approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 27 May 2025.

B7. UTILISATION OF IPO PROCEEDS

The Company was listed on the ACE Market of Bursa Securities on 26 January 2024. As part of the Listing exercise, the Company has undertaken a Public Issue of 218,027,200 new ordinary shares at an issue price of RM0.27 per share, raising gross proceeds of RM58.87 million (“**IPO Proceeds**”).

The status of the utilisation of the IPO Proceeds as of 31 March 2025 is as follows:

	Proposed Utilisation	Actual Utilisation	Balance	Estimated timeframe for the utilisation upon Listing ⁽¹⁾
	RM'000	RM'000	RM'000	
Details of utilisation of proceeds				
Business expansion:				
- Expansion of cooling energy segment	40,417	-	40,417	Within 36 months
- Expansion of offices in Malaysia, Thailand, and Singapore	4,500	500	4,000	Within 12 months
Working capital	8,118	8,118	-	Within 12 months
Defraying the listing expenses	5,832	5,832	-	Within 1 month
	58,867	14,450	44,417	

NOTE:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities. The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 5 January 2024.

The Company has obtained shareholders' approval on the proposed variation of proceeds raised from the initial public offering as disclosed in B6 of this interim financial report.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)
B8. BORROWINGS

As at 31 March 2025 (Unaudited)						
Current		Non-Current		Total borrowings		
Foreign Currency	RM Equivalent	Foreign Currency	RM Equivalent	Foreign Currency	RM Equivalent	
'000	RM'000	'000	RM'000	'000	RM'000	
Secured						
Denominated in MYR						
- Lease liabilities ⁽¹⁾	-	365	-	1,237	-	1,602
- Term loans	-	371	-	66	-	437
Denominated in SGD⁽²⁾						
- Lease liabilities ⁽¹⁾	16	53	72	237	88	290
Denominated in THB⁽³⁾						
- Term loans	7,349	958	38,031	4,958	45,380	5,916
As at 31 December 2024 (Audited)						
Current		Non-Current		Total borrowings		
Foreign Currency	RM Equivalent	Foreign Currency	RM Equivalent	Foreign Currency	RM Equivalent	
'000	RM'000	'000	RM'000	'000	RM'000	
Secured						
Denominated in MYR						
- Lease liabilities ⁽¹⁾	-	293	-	969	-	1,262
- Term loans	-	485	-	68	-	553
Denominated in SGD⁽²⁾						
- Lease liabilities ⁽¹⁾	16	53	76	249	92	302
Denominated in THB⁽³⁾						
- Term loans	6,551	856	22,838	2,984	29,389	3,840

These borrowings are secured and denominated in Malaysian Ringgit ("MYR"), Singapore Dollar ("SGD") and Thai Baht ("THB").

NOTES:

- (1) Excluding lease liabilities arising from the rental of land and buildings.
- (2) Exchange rate (SGD: MYR) at SGD: MYR 3.3056 as at 31 March 2025 and SGD: MYR 3.2878 as at 31 December 2024 (Source of reference: Bank Negara Malaysia website).
- (3) Exchange rate (THB: MYR) at THB: MYR 0.130372 as at 31 March 2025 and THB: MYR 0.130662 as at 31 December 2024 (Source of reference: Bank Negara Malaysia website).

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)
B9. MATERIAL LITIGATION

There was no material litigation involving the Group as at the date of this interim financial report.

B10. DIVIDEND PROPOSED

No dividend has been declared or recommended by the Board of Directors for the current financial quarter under review.

B11. EARNINGS PER SHARE
Basic EPS/LPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS/LPS are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2025	Preceding Year Corresponding Quarter 31.03.2024	Current Year-to-date 31.03.2025	Preceding Year Corresponding Year-to-date 31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
Profit/(Loss) attributable to the owners of the Company (RM'000)	4,229	(838)	4,229	(838)
Weighted average number of ordinary shares for the purpose of basic EPS/LPS (unit) ('000)	688,643	688,000	688,643	688,000
Basic EPS/LPS (sen)	0.61	(0.12)	0.61	(0.12)

Diluted EPS/LPS

The earnings used in the calculation of diluted EPS/LPS as follow:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2025	Preceding Year Corresponding Quarter 31.03.2024	Current Year-to-date 31.03.2025	Preceding Year Corresponding Year-to-date 31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
Profit/(Loss) attributable to the owners of the Company (RM'000)	4,229	(838)	4,229	(838)
Weighted average number of ordinary shares for the purpose of basic EPS/LPS (unit) ('000)	688,643	688,000	688,643	688,000
Shares deemed to be issued for no consideration in respect of ESOS (unit) ('000)	8,417	N/A	8,417	N/A

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

Weighted average number of ordinary shares used in the calculation of diluted EPS/LPS (unit) ('000)	697,060	688,000	697,060	688,000
Diluted EPS/LPS (sen)	0.61	(0.12)	0.61	(0.12)

NOTE:

- (1) N/A denotes not applicable.

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Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025
PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)
B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2025	Preceding Year Corresponding Quarter 31.03.2024	Current Year-to- date 31.03.2025	Preceding Year Corresponding Year-to-date 31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration	102	75	102	75
Depreciation of:				
- property, plant, and equipment	206	174	206	174
- right-of-use assets	305	174	305	174
- investment properties	2	2	-	2
Gain on disposal of property, plant and equipment	(4)	(216)	(4)	(216)
Interest income	(230)	(64)	(230)	(64)
Interest expenses	347	76	347	76
Provision for employee benefits	14	6	14	6
Impairment losses on:				
- trade receivables and contract assets	32	-	32	-
Reversal of impairment loss on trade receivables	-	(13)	-	(13)
Lease expenses relating to short-term assets	341	380	341	380
Realised loss/(gain) on foreign exchange	3	*	3	*
Unrealised (gain)/loss on foreign exchange	(1)	9	(1)	9
Non-Executive Directors' remuneration - Fees	69	57	69	57

Other disclosure items pursuant to Note 16, Appendix 9B of the Listing Requirements are not applicable.

* Less than RM1,000

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS
(CONT'D)**

B13. DERIVATIVES

The Group did not enter into any derivatives during the current financial quarter and financial year-to-date.

B14. 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 28 May 2025.

**BY ORDER OF THE BOARD
KJTS GROUP BERHAD**