KJTS GROUP BERHAD

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

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

KJTS GROUP BERHAD

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

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the First Quarter Ended 31 March 2026[1]

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Quarter 31.03.2026	Preceding Year Corresponding Quarter 31.03.2025	Current Year-to-date 31.03.2026	Preceding Year Corresponding Year-to-date 31.03.2025
		Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
Revenue		55,906	46,551	55,906	46,551
Cost of sales		(42,903)	(34,614)	(42,903)	(34,614)
Gross profit ("GP")		**13,003**	**11,937**	**13,003**	**11,937**
Other income		592	521	592	521
Administrative expenses		(7,064)	(7,621)	(7,064)	(7,621)
Changes on impairment of financial instruments and contract assets		(4)	(32)	(4)	(32)
Finance costs		(162)	(155)	(162)	(155)
Share of results of associates		(32)	10	(32)	10
Profit before tax ("PBT")	B12	**6,333**	**4,660**	**6,333**	**4,660**
Tax expenses		(1,899)	(433)	(1,899)	(433)
Profit after tax ("PAT")		**4,434**	**4,227**	**4,434**	**4,227**
Other comprehensive (loss)/gain for the financial period		(195)	35	(195)	35
Total comprehensive income for the financial period		**4,239**	**4,262**	**4,239**	**4,262**
Profit/(Loss) for the financial period attributable to:					
- Owners of the Company		4,607	4,229	4,607	4,229
- Non-controlling interests		(173)	(2)	(173)	(2)
		4,434	**4,227**	**4,434**	**4,227**
Total comprehensive income/(loss) for the financial period attributable to:					
- Owners of the Company		4,521	4,268	4,521	4,268
- Non-controlling interests		(282)	(6)	(282)	(6)
		4,239	**4,262**	**4,239**	**4,262**
Earnings per share ("EPS")					
- Basic (sen)	B11	0.67	0.61	0.67	0.61
- Diluted (sen)	B11	0.66	0.61	0.66	0.61

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the First Quarter Ended 31 March 2026 (cont'd)

NOTE:

(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 ("**Group**") for the financial year ended ("**FYE**") 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

[The remainder of this page is intentionally left blank]

KJTS GROUP BERHAD

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

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statement of Financial Position as at 31 March 2026[1]

	Note	As at 31.03.2026 Unaudited RM'000	As at 31.12.2025 Audited RM'000
Non-current assets			
Property, plant, and equipment		5,781	3,050
Right-of-use assets		2,426	2,772
Investment properties		661	663
Investment in associates		832	861
Concession receivables		29,882	17,296
Goodwill on consolidation		1,808	1,808
Other receivables		58	26
		41,448	**26,476**
Current assets			
Concession receivables		1,584	1,646
Short-term investments		32,385	41,580
Inventories		153	113
Trade receivables		40,705	48,860
Other receivables		20,544	19,216
Contract assets		46,629	46,169
Amount due from associates		2,279	2,831
Tax recoverable		851	1,062
Fixed deposit with a licensed bank		2,419	2,405
Cash and bank balances		5,030	14,059
		152,579	177,941
Total assets		**194,027**	**204,417**
Equity			
Share capital		102,243	101,041
Option reserve		4,461	4,404
Other reserve		(3)	(3)
Foreign currency translation reserve		(271)	(185)
Retained earnings		67,135	62,528
Merger reserve		(34,938)	(34,938)
Equity attributable to owners of the Company		138,627	132,847
Non-controlling interests		(418)	(136)
Total equity		**138,209**	**132,711**

[The remainder of this page is intentionally left blank]

Unaudited Condensed Consolidated Statement of Financial Position as at 31 March 2026 (cont'd)

	Note	As at 31.03.2026 Unaudited RM'000	As at 31.12.2025 Audited RM'000
Non-current liabilities			
Bank borrowings	B8	6,147	6,680
Lease liabilities		1,379	1,456
Employee benefit obligations		32	24
Deferred tax liabilities		4	4
		7,562	8,164
Current liabilities			
Trade payables		19,134	23,945
Other payables		22,914	32,608
Contract liabilities		1,739	1,091
Bank overdraft		-	958
Bank borrowings	B8	1,474	1,598
Lease liabilities		1,002	1,185
Tax payable		1,993	2,157
		48,256	63,542
Total liabilities		**55,818**	**71,706**
Total equity and liabilities		**194,027**	**204,417**
Net assets per ordinary share attributable to owners of the Company (RM)[(2)]		0.20	0.19

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 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 ordinary shares in issue as at 31 March 2026 of 690,610,220 shares (31 December 2025: 689,522,635 shares).

[The remainder of this page is intentionally left blank]

KJTS GROUP BERHAD

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

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statement of Changes in Equity for the First Quarter Ended 31 March 2026[1]

	Attributable to Owners of the Company								
	Non-Distributable					Distributable			
	Share Capital	Foreign Currency Translation Reserve	Option Reserve	Other Reserve	Merger Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2025 (Audited)/ 1 January 2026	101,041	(185)	4,404	(3)	(34,938)	62,528	132,847	(136)	132,711
Profit/(loss) for the financial period	-	-	-	-	-	4,607	4,607	(173)	4,434
Other comprehensive loss for the financial period	-	(86)	-	-	-	-	(86)	(109)	(195)
Total comprehensive (loss)/income for the financial period	**-**	**(86)**	**-**	**-**	**-**	**4,607**	**4,521**	**(282)**	**4,239**
Transactions with owners:									
Issuance of shares pursuant to special issue	346	-		-	-	-	346	-	346
Issuance of shares pursuant to executives' share option scheme ("**ESOS**")	856	-	(562)	-	-	-	294	-	294
Share options granted under ESOS	-	-	673	-	-	-	673	-	673
Share options forfeited under ESOS	-	-	(54)	-	-	-	(54)	-	(54)
	1,202	-	57	-	-	-	1,259	-	1,259
At 31 March 2026 (Unaudited)	**102,243**	**(271)**	**4,461**	**(3)**	**(34,938)**	**67,135**	**138,627**	**(418)**	**138,209**

KJTS GROUP BERHAD

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

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statement of Changes in Equity for the First Quarter Ended 31 March 2026 (cont'd)

	Attributable to Owners of the Company								
	Non-Distributable					Distributable			
	Share Capital	Foreign Currency Translation Reserve	Option Reserve	Other Reserve	Merger Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	RM'000	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	113,932	(221)	113,711
Profit for the financial period	-	-	-	-	-	4,229	4,229	(2)	4,227
Other comprehensive loss for the financial period	-	39	-	-	-	-	39	(4)	35
Total comprehensive (loss)/income for the financial period	**-**	**39**	**-**	**-**	**-**	**4,229**	**4,268**	**(6)**	**4,262**
Transactions with owners:									
Issuance of shares pursuant to 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**	**119,256**	**(227)**	**119,029**

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 2025 and the accompanying explanatory notes attached to this interim financial report.

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statements of Cash Flows for the First Quarter Ended 31 March 2026[1]

	Current Year-to-date 31.03.2026	Preceding Year Corresponding Year-to-date 31.03.2025
	Unaudited	Unaudited
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	6,333	4,660
Adjustments for: -		
Depreciation of property, plant, and equipment	332	206
Depreciation of right-of-use assets	342	305
Depreciation of investment properties	2	2
Gain on disposal of property, plant and equipment	-	(4)
Right-of-use assets written off	-	9
Impairment losses on trade receivables and contract assets	4	32
Dividend income from financial assets measured at fair value through profit or loss	(319)	(421)
Interest income	(28)	(230)
Provision for employee benefits	9	14
Finance costs	162	347
ESOS expenses	619	854
Share of results of associates	32	(10)
Unrealised loss/(gain) on foreign exchange	1	(1)
Operating profit before changes in working capital	7,489	5,763
Changes in working capital:		
Inventories	(40)	(24)
Concession receivables	(12,524)	530
Receivables	240	(9,888)
Payables	(14,552)	8,521
Amount due from associates	562	(84)
Foreign exchange reserve	(186)	38
Contract assets	188	(5,745)
	(26,312)	(6,652)
Cash generated used in operations	**(18,823)**	**(889)**
Interest paid	(114)	(155)
Interest received	17	27
Income tax refund	297	-
Dividend received	319	-
Income tax paid	(2,151)	(704)
	(1,632)	(832)
Net cash used in operating activities	**(20,455)**	**(1,721)**

Unaudited Interim Financial Report for the First Quarter Ended 31 March 2026

Unaudited Condensed Consolidated Statements of Cash Flows for the First Quarter Ended 31 March 2026 (cont'd)

	Current Year-to-date 31.03.2026 Unaudited RM'000	Preceding Year Corresponding Year-to-date 31.03.2025 Unaudited RM'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,071)	(674)
Purchase of right-of-use assets	-	(28)
Proceeds from disposal of property, plant and equipment	-	4
Deposit paid for acquisition of a subsidiary	-	(6,550)
Refund of deposit paid for acquisition of a subsidiary	6,550	-
Net cash from/(used in) investing activities	**3,479**	**(7,248)**
FINANCING ACTIVITIES		
Proceeds from issuance of shares	640	202
Increased in fixed deposit pledged to a licensed bank	(14)	(15)
Payment of lease liabilities	(260)	(574)
Drawdown of borrowings	124	2,251
Repayment of borrowings	(780)	(292)
Net cash (used in)/from financing activities	**(290)**	**1,572**
Net decrease in cash and cash equivalents	**(17,266)**	**(7,397)**
Effect of exchange translation differences on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the financial period	54,681	65,207
Cash and cash equivalents at the end of the financial period[(2)]	**37,415**	**57,810**

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 2025 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 31.03.2026 Unaudited RM'000	As at 31.03.2025 Unaudited RM'000
Short-term investments	32,385	51,088
Cash and bank balances	5,030	7,475
Fixed deposit with a licensed bank	2,419	2,364
Bank overdraft	-	(753)
	39,834	60,174
Less: Fixed deposit pledged to a licensed bank	(2,419)	(2,364)
	37,415	57,810

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 2025 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 2025 except for the adoption of the following new MFRSs and Amendments to MFRSs that become effective for the financial period beginning on 1 January 2026:

- Amendments to MFRS 9 and MFRS 7
- Amendments to MFRS 9 and MFRS 7
- 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

Amendments to the Classification and Measurement of Financial Instruments

Contracts Referencing Nature-dependent Electricity

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
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates	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.

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 2025 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 for the status of corporate proposals as disclosed in Note B6, 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.

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, 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, 13,756,000 ESOS options and 13,760,000 ESOS options respectively, have been offered to the Eligible Persons.

As of 31 March 2026, 2,362,220 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.

A9. DIVIDEND PAID

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

A10. SEGMENTAL INFORMATION

The Group is principally involved in the following businesses:

Operating segments	Nature
(a) Energy Services	(a) Energy services which mainly involves the supply of chilled water for space cooling as well as providing operations and maintenance services for cooling energy systems and provision of energy saving system for commercial buildings. (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) Integrated Facilities Management	Integrated facilities management services, which mainly consist of comprehensive building support services, including cleaning, hygiene, repair and maintenance of facilities, machinery and equipment.
(c) Investment	Investment holding.

During the current period, the Group revised the name of the segment previously identified as Cooling Energy to Energy Services. This change was made to better reflect the expanded scope of services offered, encompassing a broader range of sustainable energy solutions. The renaming does not affect the measurement, recognition, or presentation of segment results.

The Group also combined the Cleaning Services segment and the Facilities Management segment into a single reporting segment, namely Integrated Facilities Management. This change was made to better reflect the way performance was tracked, as both services are overseen by the same management team, share similar client base and share common resources. The integration has resulted in operational efficiencies and a unified service offering.

Comparative information has been restated to align with the new segment presentation.

(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 31.03.2026	**Preceding Year Corresponding Quarter 31.03.2025**	**Current Year-to-date 31.03.2026**	**Preceding Year Corresponding Year-to-date 31.03.2025**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Energy Services	35,088	26,808	35,088	26,808
Integrated Facilities Management	20,818	19,743	20,818	19,743
	55,906	46,551	55,906	46,551

A10. SEGMENTAL INFORMATION (CONT'D)

(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 31.03.2026	Preceding Year Corresponding Quarter 31.03.2025	Current Year-to-date 31.03.2026	Preceding Year Corresponding Year-to-date 31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Malaysia	45,611	37,310	45,611	37,310
Overseas:				
- Singapore	6,804	7,903	6,804	7,903
- Thailand	3,491	1,338	3,491	1,338
	55,906	46,551	55,906	46,551

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

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 2026.

A14. CONTINGENT ASSETS OR CONTINGENT LIABILITIES

Save as disclosed below, as at 31 March 2026, 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 guarantees for tender bond, performance bond, and corporate bank guarantee provided to third parties for our Group's projects	2,281
Corporate guarantees given to licensed banks to secure banking facilities granted to subsidiaries	
-Limit of guarantees	75,860
-Amount utilised	9,903

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 31.03.2026	Preceding Year Corresponding Quarter 31.03.2025	Current Year-to-date 31.03.2026	Preceding Year Corresponding Year-to-date 31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Transactions with associates:				
Income				
Sales	1,071	900	1,071	900
Management fee received/receivable	6	6	6	6
Interest received/receivable	11	11	11	11
Expenses				
Purchases	546	463	546	463
Transactions with related parties:				
Income				
Sales	-	7	-	7
Expenses				
Purchases	1	-	1	-
Administrative expenses paid/payable	7	1	7	1
Interest paid/payable	45	33	45	33

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.

[The remainder of this page is intentionally left blank]

B1. REVIEW OF PERFORMANCE

	QUARTER ENDED			YEAR-TO-DATE ENDED		
	31.03.2026	31.03.2025		31.03.2026	31.03.2025	
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	RM'000	RM'000	(RM'000/%)	RM'000	RM'000	(RM'000/%)
Revenue	55,906	46,551	9,355/20%	55,906	46,551	9,355/20%
Gross profit	13,003	11,937	1,066/9%	13,003	11,937	1,066/9%
PBT	6,333	4,660	1,673/36%	6,333	4,660	1,673/36%
PAT	4,434	4,227	207/5%	4,434	4,227	207/5%
Profit attributable to owners of the Company	**4,607**	**4,229**	**378/9%**	**4,607**	**4,229**	**378/9%**

The Group recorded revenue of RM55.91 million for the current financial quarter ended 31 March 2026. The Group's revenue was derived from the Energy Services and Integrated Facilities Management segments for the current financial quarter under review. The Energy Services and Integrated Facilities Management segments recorded revenue of RM35.09 million (62.76% of the Group's revenue) and RM20.82 million (37.24% of the Group's revenue) respectively, for the current financial quarter under review. The Group's revenue increased by RM9.36 million (or 20.10%) from RM46.55 million in the preceding year corresponding quarter. This is mainly attributable to the variance in timing of revenue recognition and value from contract recognised from different project types of the Energy Services segment in the current year as compared to the preceding year corresponding period, and the growing customer base in the Integrated Facilities Management segment in the current financial quarter under review.

Malaysia was our largest overall market and recorded revenue of RM45.61 million (81.59% of the Group's revenue) for the current financial quarter under review. Meanwhile, Singapore and Thailand contributed revenue of RM6.81 million (12.17% of the Group's revenue) and RM3.49 million (6.24% of the Group's revenue) respectively, for the current financial quarter under review.

The Group reported PBT of RM6.33 million for the current financial quarter compared to a PBT of RM4.66 million in the preceding year corresponding quarter, representing an increase of RM1.67 million. The higher PBT is primarily contributed by the increase in gross profit which is mainly derived from the recent energy services contracts with relatively higher contract value and gross profit contribution for the current financial quarter under review as compared to the preceding year corresponding quarter.

[The remainder of this page is intentionally left blank]

B2. VARIANCE OF RESULTS AGAINST PRECEDING QUARTER

	INDIVIDUAL QUARTER			
	Current Quarter 31.03.2026	Preceding Quarter 31.12.2025	Variance	
	Unaudited	Unaudited	Unaudited	
	RM'000	RM'000	RM'000	%
Revenue	55,906	63,840	(7,934)	(12.43)
PBT	6,333	6,266	67	1.07

The Group recorded a revenue of RM55.91 million for the current financial quarter ended 31 March 2026 which is 12.43% lower than the revenue recorded in the preceding financial quarter ended 31 December 2025 of RM63.84 million. The decrease in revenue was mainly due to lower revenue recognised from both Energy Services and Integrated Facilities Management segments in the current financial quarter ended 31 March 2026. Revenue from Energy Services segment decreased by RM7.57 million in the current financial quarter ended 31 March 2026 as compared to the preceding quarter ended 31 December 2025, mainly due to completion of some EPCC projects in the preceding quarter. Meanwhile, revenue from Integrated Facilities Management segment decreased by RM0.36 million in the current financial quarter ended 31 March 2026 as compared to the preceding financial quarter ended 31 December 2025, mainly due to expiration of a few cleaning services contracts towards year end in the preceding financial quarter ended 31 December 2025. However, this was partially offset by the growing repair and maintenance service requests from new clients during the current financial quarter ended 31 March 2026 as compared to the preceding financial quarter ended 31 December 2025.

The Group recorded a PBT of RM6.33 million for the current financial quarter ended 31 March 2026 as compared to a PBT of RM6.27 million in the preceding financial quarter ended 31 December 2025. The slight increase in PBT was mainly due to a decrease in gross profit as a result of a decrease in revenue as discussed above, being offset by the decrease in administrative expenses and other income in the current financial quarter ended 31 March 2026 as compared to the preceding financial quarter ended 31 December 2025.

[The remainder of this page is intentionally left blank]

B3. PROSPECTS AND OUTLOOK FOR THE CURRENT FINANCIAL PERIOD

The Malaysian economy has remained resilient in the first quarter of 2026, supported by robust domestic demand, continued global tech expansion, and accommodative monetary policy. With the Overnight Policy Rate held at 2.75% by Bank Negara Malaysia, investment activity will be driven by the progress of multi-year projects in both the private and public sectors, implementation of new smaller-scale public projects, continued high realisation of approved investments, as well as the ongoing implementation of national master plans[(1)]. These fundamentals provide a stable operating environment for KJTS to sustain performance and deliver long-term shareholder value.

Policy reforms are accelerating Malaysia's transition towards a low-carbon economy. The introduction of a Carbon Tax in 2026, initially targeting energy-intensive sectors, is expected to stimulate demand for energy-efficient infrastructure and integrated solutions[(2)]. This regulatory evolution aligns with KJTS's core competencies in cooling energy, facility management, and industrial energy services. In parallel, the National Energy Transition Roadmap continues to chart Malaysia's sustainability agenda, setting ambitious renewable energy targets of 40% by 2035 and 70% by 2050[(3)]. These initiatives create significant opportunities for KJTS to broaden its service portfolio and deepen its role in supporting the nation's decarbonisation journey.

Structural market trends further reinforce growth prospects. The Southeast Asia data centre market, projected to reach USD30.47 billion by 2030, is driving demand for sustainable cooling and mission-critical facility management solutions[(4)]. KJTS's expertise positions the Group to capture this expansion, particularly as regional operators prioritise energy efficiency and sustainability.

A key strategic milestone in April 2026 was the acquisition of iHandal Holdings Sdn. Bhd. ("**iHandal**"), a specialist in energy efficiency and heat recovery solutions. This acquisition enhances KJTS's technological capabilities, strengthens its recurring income base, and expands its service offerings in industrial energy optimisation. By integrating iHandal's expertise, KJTS is better positioned to deliver comprehensive solutions across diverse sectors, reinforcing its competitive edge in sustainable infrastructure.

Further in May 2026, KJTS novated the KIPMall concession projects to Lestari Cooling Energy Sdn. Bhd. ("**Lestari**"), putting its asset-light model into practice. With Lestari taking on the capital ownership role, KJTS continues to earn long-term recurring income through operation & maintenance ("**O&M**") and chilled water supply while freeing up capital to pursue new growth opportunities with greater speed and financial discipline. This restructuring is expected to enhance the Group's cash flow position, improve balance sheet flexibility and enable more efficient capital allocation towards future growth opportunities.

Operationally, the Group continues to execute new contracts, including facility management agreements and collaborations with regional partners such as China Construction Yangtze River (Malaysia) Sdn. Bhd. to jointly pursue data centre and infrastructure-related projects in Malaysia and selected overseas markets, including Cambodia, Thailand, Singapore, and Turkey, supporting its ambition to become a regional leader in sustainable infrastructure services.

Looking ahead, KJTS will remain focused on disciplined execution, innovation-led service delivery, and strategic capital deployment. With supportive macroeconomic conditions, progressive regulatory reforms and the integration of iHandal, the Group is well positioned to sustain earnings visibility, enhance shareholder returns, and capture emerging opportunities in sustainable infrastructure across Malaysia and the broader regional market.

NOTES:

(1) Source: Monetary Policy Statement (7 May 2026), Bank Negara Malaysia

(2) Source: Budget Speech, Belanjawan 2026, Ministry of Finance

(3) Source: https://mida.gov.my/national-energy-transition-roadmap-netr-charting-a-path-to-a-sustainable-energy-landscape/ (Date accessed: 11 May 2026)

(4) Source: Research and Markets: Southeast Asia Data Center Market Landscape 2025-2030

[The remainder of this page is intentionally left blank]

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 31.03.2026	Preceding Year Corresponding Quarter 31.03.2025	Current Year-to-date 31.03.2026	Preceding Year Corresponding Year-to-date 31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Tax expenses recognised in profit or loss				
Current tax expense[1]	1,899	433	1,899	433
Under/(Over) provision in prior years	-	-	-	-
	1,899	433	1,899	433
Deferred tax				
Relating to origination and reversal of temporary differences	-	-	-	-
Over provision in prior years	-	-	-	-
	-	-	-	-
Tax expenses for the financial period	1,899	433	1,899	433
Effective tax rate (%)	30.0	9.3	30.0	9.3
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The effective tax rate was about 30.0% for the current financial quarter ended 31 March 2026 primarily due to the full utilisation of the brought forward unused tax losses in the current year as compared to corresponding period in the prior year and ESOS expenses of RM0.62 million incurred in the current financial period that are non-deductible which resulted in the increase in the Group's effective tax rate and being higher than the statutory tax rate.

NOTE:

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

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.

Acquisition of iHandal by KJ Technical Services Sdn. Bhd. ("**KJTS SB**")

On 5 March 2026, the Board of Directors of KJTS ("**Board**") announced that KJTS SB, a wholly-owned subsidiary of KJTS, entered into a share sale and purchase agreement with Corellia Holdings I Sdn. Bhd., Aaron C. Patel and Christopher Zhong Yi Lim ("**Warrantors**"), to acquire 16,714,726 redeemable and convertible preference shares B in iHandal in issue, which will be converted into ordinary shares in iHandal, representing 70.67% equity interest in iHandal, for a total cash consideration of RM10,100,000.00 ("**Proposed Acquisition**") ("**SSPA**").

In connection with the Proposed Acquisition, KJTS SB had also, on 5 March 2026, entered into a shareholders' agreement with the existing ordinary shareholders of iHandal, who include the Warrantors and Law Wei Loon, to regulate the affairs of iHandal and the respective rights of KJTS SB and the existing shareholders, as shareholders of iHandal.

On 6 April 2026, the Board announced that all conditions precedent under the SSPA have been duly satisfied and fulfilled or waived on 3 April 2026, resulting in the SSPA being unconditional on even date.

On 10 April 2026, the Board announced that the SSPA has been completed in accordance with its terms and conditions. Accordingly, the acquisition has been completed on even date.

B7. QUARTERLY UPDATES ON THE STATUS OF COLLABORATIONS, MEMORANDUMS OF UNDERSTANDING AND JOINT VENTURES

(a) Strategic Collaboration Agreement with FBG Land Sdn. Bhd. and The Penang Development Corporation

On 20 January 2025, the Board announced that KJTS entered into a strategic collaboration agreement with FBG Land Sdn. Bhd. and The Penang Development Corporation to establish the development and construction of the district cooling system infrastructure for the proposed development known as Medi-City in Batu Kawan, Mukim 13, Daerah Seberang Perai Selatan, Pulau Pinang, Malaysia.

There has been no material development on the status of this collaboration since the last announcement made on 20 January 2025.

(b) Memorandum of Understanding entered between Green AI Sdn. Bhd. and Shenzen Envicool Technology Co. Ltd.

On 13 June 2025, the Board announced that Green AI Sdn. Bhd., a subsidiary of KJTS through its wholly-owned subsidiary, KJTS SB, had entered into a memorandum of understanding with Shenzhen Envicool Technology Co., Ltd. to jointly pursue data centre infrastructure projects, with a focus on innovative, energy-efficient cooling solutions in ASEAN.

There has been no material development on the status of this collaboration since the last announcement made on 13 June 2025.

(c) Collaboration Agreement between KJTS SB and China Construction Yangtze River (Malaysia) Sdn. Bhd.

On 26 January 2026, the Board announced that KJTS SB, a wholly-owned subsidiary of the Company, had entered into a collaboration agreement with China Construction Yangtze River (Malaysia) Sdn. Bhd. (collectively referred to as "**Parties**") to collaborate on the identification, development, bidding, and execution of data centre projects and other infrastructure or building-related projects in Malaysia and other jurisdictions as may be mutually agreed between the Parties in writing, including but not limited to Cambodia, Thailand, Singapore and Turkey.

There has been no material development on the status of this collaboration since the last announcement made on 26 January 2026.

(d) Novation Agreement between KJTS SB, Pacific Trustees Berhad and Lestari

On 5 March 2025, the Board announced KJTS SB, a wholly-owned subsidiary of the Company, had entered into a service agreement with Pacific Trustees Berhad, acting solely in its capacity as the trustee for and on behalf of KIP Real Estate Investment Trust ("**REIT Trustee**") ("**Original Agreement**") for the retrofit works and the provision of O&M services and supply of chilled water at 7 sites of KIPMall for 20 years ("**Project**").

On 31 October 2025, the Board announced that KJTS SB had entered into a supplemental agreement with the REIT Trustee to amend and vary certain terms under the Original Agreement ("**Supplemental Agreement**") for the inclusion of an additional site to the Project, namely KIPMall Desa Coalfields.

On 14 March 2025, the Board announced that KJTS SB had entered into a joint venture and shareholders' agreement with Stonepeak Kelvin Holdings Limited ("**Stonepeak Kelvin**") ("**Joint Venture**"). Subsequent to the Joint Venture, Lestari was incorporated as the joint venture vehicle to undertake the business of developing, upgrading, investing in and/or owning cooling assets for distribution to off-takers.

On 25 March 2026, the Board announced that, among others, Kumpulan Wang Persaraan (Diperbadankan) ("**KWAP**") had acquired 30% equity interest in Lestari and that KJTS SB had entered into an amended and restated joint venture and shareholders agreement with Stonepeak Kelvin, KWAP and Lestari.

In line with the business objectives and investment structuring strategy of KJTS and its subsidiaries, Lestari will assume the asset ownership and capital investment role for the Project, while KJTS SB and KJ Engineering Sdn. Bhd., a wholly-owned subsidiary of KJTS SB ("**KJE**"), will assume the retrofit works, chilled water supply and O&M services for the Project.

On 8 May 2026, as part of the above investment restructuring, the Board announced that the following have been entered into:

a) novation agreement between KJTS SB, the REIT Trustee and Lestari to effect the novation by KJTS SB of its rights and obligations under the Original Agreement, as supplemented by the Supplemental Agreement, to Lestari;

b) letter of acceptance to KJE, from Lestari for the design, engineering, procurement, installation, testing and commissioning of chiller plants; and

c) retrofit, O&M and transfer agreement between KJTS SB and Lestari.

B8. 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 2026 is as follows:

Purpose of utilisation	Proposed utilisation	Actual utilisation	Balance to be utilised	Estimated timeframe for utilisation
	RM'000	RM'000	RM'000	
Business expansion				
- Expansion of cooling energy segment	40,417	(22,060)	18,357	Within 24 months from 16 March 2026
- Expansion of offices in Malaysia, Thailand, and Singapore	4,500	(500)	4,000	Within 24 months from 16 March 2026
Working capital	8,118	(8,118)	-	Within 12 months from Listing date
Defraying the listing expenses	5,832	(5,832)	-	Within 1 month from Listing date
Total	**58,867**	**(36,510)**	**22,357**	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 5 January 2024 and the announcement dated 16 March 2026.

B9. BORROWINGS

	As at 31 March 2026 (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]	-	375	-	862	-	1,237
- Term loans	-	2	-	-	-	2
Denominated in SGD[2]						
- Lease liabilities[1]	16	51	55	174	71	225
Denominated in THB[3]						
- Term loans	11,965	1,472	49,973	6,147	61,938	7,619

	As at 31 December 2025 (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]	-	375	-	955	-	1,330
- Term loans	-	71	-	-	-	71
Denominated in SGD[2]						
- Lease liabilities[1]	16	51	60	188	76	239
Denominated in THB[3]						
- Term loans	11,885	1,527	51,995	6,680	63,880	8,207

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 3.1362 as at 31 March 2026 and SGD: MYR 3.1572 as at 31 December 2025 (Source of reference: Bank Negara Malaysia website).

(3) Exchange rate (THB: MYR) at THB: MYR 0.123016 as at 31 March 2026 and THB: MYR 0.128472 as at 31 December 2025 (Source of reference: Bank Negara Malaysia website).

B10. MATERIAL LITIGATION

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

B11. DIVIDEND PROPOSED

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

B12. EARNINGS PER SHARE

Basic EPS

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2026	**Preceding Year Corresponding Quarter 31.03.2025**	**Current Year-to-date 31.03.2026**	**Preceding Year Corresponding Year-to-date 31.03.2025**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Profit attributable to the owners of the Company (RM'000)	4,607	4,229	4,607	4,229
Weighted average number of ordinary shares for the purpose of basic EPS (unit) ('000)	689,715	688,643	689,715	688,643
Basic EPS (sen)	0.67	0.61	0.67	0.61

Diluted EPS

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2026	**Preceding Year Corresponding Quarter 31.03.2025**	**Current Year-to-date 31.03.2026**	**Preceding Year Corresponding Year-to-date 31.03.2025**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Profit attributable to the owners of the Company (RM'000)	4,607	4,229	4,607	4,229
Weighted average number of ordinary shares for the purpose of basic EPS (unit) ('000)	689,715	688,643	689,715	688,643
Shares deemed to be issued for no consideration in respect of ESOS (unit) ('000)	8,624	8,417	8,624	8,417
Weighted average number of ordinary shares used in the calculation of diluted EPS (unit) ('000)	698,339	697,060	698,339	697,060
Diluted EPS (sen)	0.66	0.61	0.66	0.61

B13. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2026	**Preceding Year Corresponding Quarter 31.03.2025**	**Current Year-to-date 31.03.2026**	**Preceding Year Corresponding Year-to-date 31.03.2025**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Auditors' remuneration	106	102	106	102
Depreciation of:				
- property, plant, and equipment	332	206	332	206
- right-of-use assets	342	305	342	305
- investment properties	2	2	2	2
Gain on disposal of property, plant and equipment	-	(4)	-	(4)
Interest income	(28)	(230)	(28)	(230)
Interest expenses	162	347	162	347
Provision for employee benefits	9	14	9	14
Impairment losses on:				
- trade receivables and contract assets	4	32	4	32
Lease expenses relating to short-term assets	513	341	513	341
Realised loss on foreign exchange	1	3	1	3
Unrealised loss/(gain) on foreign exchange	1	(1)	1	(1)
Non-Executive Directors' remuneration - Fees	69	69	69	69

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

[The remainder of this page is intentionally left blank]

B14. DERIVATIVES

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

B15. AUTHORISATION FOR ISSUE

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

BY ORDER OF THE BOARD
KJTS GROUP BERHAD