



KTI LANDMARK BERHAD

(Registration No. 201601008159 (1179087-X))

Incorporated in Malaysia

**INTERIM FINANCIAL REPORT FOR THE
QUARTER AND YEAR ENDED 31 DECEMBER 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME⁽¹⁾**
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		Current Year Quarter Unaudited 31.12.2025 RM'000	Preceding Year Corresponding Quarter Unaudited 31.12.2024 RM'000	Current Year To-Date Unaudited 31.12.2025 RM'000	Preceding Year Corresponding Year Audited 31.12.2024 RM'000
Revenue		113,079	66,022	306,309	175,356
Cost of sales		(87,127)	(46,501)	(237,436)	(133,106)
Gross profit ("GP")		25,952	19,521	68,873	42,250
Other operating income		6	743	2,837	1,645
Selling and distribution expenses		(2,909)	(2,601)	(6,997)	(5,352)
Administrative expenses		(5,591)	(5,555)	(20,269)	(20,249)
Profit from operation		17,458	12,108	44,444	18,294
Finance cost		(6,511)	(3,493)	(20,260)	(9,836)
Profit before taxation ("PBT")	B13	10,947	8,615	24,184	8,458
Taxation	B6	(2,217)	459	(5,100)	60
Profit after taxation ("PAT")/Total comprehensive income for the period		8,730	9,074	19,084	8,518
PAT/ Total comprehensive income/ for the period attributable to:					
Owners of the Group		8,730	9,074	19,084	8,518
Earnings per share ("EPS")	B12				
- Basic / Diluted (sen) ⁽²⁾		1.09	1.13	2.39	1.17

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 for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Diluted EPS of the Company for the individual quarter ended 31 December 2025 and year ended 31 December 2025 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

KTI LANDMARK BERHAD ("KTI LANDMARK" OR "COMPANY")
Registration No. 201601008159(1179087-X)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾
AS AT 31 DECEMBER 2025

	UNAUDITED As at 31.12.2025 RM'000	AUDITED As at 31.12.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	188,115	131,409
Inventories ⁽³⁾	851	851
Deferred tax assets	7,952	5,822
	196,918	138,082
Currents assets		
Inventories ⁽³⁾	419,810	337,770
Trade and other receivables	110,319	70,074
Contract assets	135,426	63,693
Tax recoverable	3,787	1,949
Fixed deposit with licensed bank	17,491	34,393
Cash and cash equivalents	37,446	31,659
	724,279	539,538
TOTAL ASSETS	921,197	677,620
EQUITY and LIABILITIES		
EQUITY		
Share capital	153,625	153,625
Retained profits	144,809	128,125
Reorganisation Reserve	(105,584)	(105,584)
	192,850	176,166
LIABILITIES		
Non-current liabilities		
Borrowings	161,931	54,244
Lease liabilities	460	7,643
Deffered Tax Liabilities	554	-
Land Cost Payable	2,210	12,118
	165,155	74,005
Current liabilities		
Trade and other payables	161,313	122,192
Contract liabilities	-	1,284
Amount due to a related party	-	65
Borrowings	382,795	299,152
Lease liabilities	16,106	2,744
Tax payables	2,978	2,012
	563,192	427,449
TOTAL LIABILITIES	728,347	501,454
TOTAL EQUITY AND LIABILITIES	921,197	677,620
NET ASSET PER SHARE (RM)⁽²⁾	0.24	0.22

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾
AS AT 31 DECEMBER 2025

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 for the financial year ended 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 number of ordinary shares as at 31 December 2025 of 800,000,000 shares (31 December 2024: 800,000,000 shares).
- (3) Inventories comprise of the followings:

	UNAUDITED	AUDITED
	as at	as at
	31.12.2025	31.12.2024
	RM'000	RM'000
Inventories		
Non-current assets		
Land held for property development	851	851
Current assets		
Property development costs	417,004	337,332
Completed properties	948	438
Raw Materials	1,858	-
	419,810	337,770

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital RM'000	Reorganisation reserve RM'000	Retained profits RM'000	Total equity RM'000
Balance as at 1 January 2024 (Audited)	2,000	-	134,607	136,607
Contributions by owners of the Company:				
Issuance of new shares	153,584	(105,584)	-	48,000
Share issuance expenses	(1,959)	-	-	(1,959)
Profit for the financial year	-	-	8,518	8,518
Dividend	-	-	(15,000)	(15,000)
Balance as at 31 December 2024 (Audited)	153,625	(105,584)	128,125	176,166
Profit for the financial Year	-	-	19,084	19,084
Dividend	-	-	(2,400)	(2,400)
Balance as at 31 December 2025 (Unaudited)	153,625	(105,584)	144,809	192,850

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 Company for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	UNAUDITED	AUDITED
	Current Year	Preceding
	31.12.2025	Corresponding
	RM'000	Year
		30.12.2024
		RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	24,184	8,458
Adjustments for:		
Depreciation for property, plant and equipment	1,514	1,333
Impairment loss on receivables	-	194
Interest expense	20,260	9,837
Interest income	(1,012)	(962)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	44,946	18,860
Increase in inventories	(100,590)	(98,961)
Increase in trade and other receivables	(40,245)	(54,610)
Increase in contract assets	(73,018)	(59,099)
Increase in trade and other payables	29,148	85,380
Cash used in operations	(139,759)	(108,430)
Interest paid	(23,924)	(10,591)
Interest received	1,012	962
Income tax paid	(7,555)	(5,765)
NET CASH USED IN OPERATING ACTIVITIES	(170,226)	(123,824)
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(52,040)	(61,000)
Advance payment for purchase of PPE	-	-
Increase/(Decrease) in housing development accounts	9,313	(5,770)
NET CASH USED IN INVESTING ACTIVITIES	(42,727)	(66,770)

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025(CONT'D)

	UNAUDITED	AUDITED
	Current Year	Preceding
	31.12.2025	Corresponding
	RM'000	Year
		31.12.2024
		RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Uplift of fixed deposit	16,902	584
Dividend paid	(2,400)	(15,000)
Drawdown of term loan	157,315	30,728
Drawdown of trade financing	219,430	181,813
Proceed from issuance of ordinary shares	-	46,040
Repayment of lease liabilities	(5,873)	(2,646)
Repayment of term loan	(61,025)	(3,490)
Repayment of trade financing	(136,335)	(33,551)
NET CASH FROM FINANCING ACTIVITIES	188,014	204,478
Net decrease in cash and cash equivalents	(24,939)	13,884
Cash and cash equivalents at the beginning of the financial year	33,592	19,708
Cash and cash equivalents at the end of the financial year	8,653	33,592
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	37,446	31,659
Fixed deposit placed with licensed banks	17,491	34,393
Balance as stated in the statement of financial position	54,937	66,052
Less: Bank overdraft	(16,650)	(13,604)
Less: Fixed deposit pledged with licensed banks	(14,445)	(5,876)
Less: Housing development bank account	(15,189)	(12,980)
Balance for Statement of Cash Flows	8,653	33,592

Note:

- ⁽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 Company for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

Part A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134 : INTERIM FINANCIAL REPORTING

A1. Basis of preparation

This interim financial report is unaudited and has been prepared in accordance with 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 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 for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. Summary of Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those disclosed in the audited financial statements of the Company for the financial year ended 31 December 2024, except for the adoption of the following new amendments to MFRS's:

Standards issued but not yet effective.

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB"), but are not yet effective to the Group.

● **Effective for financial periods beginning on or after 1 January 2026:**

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - *(Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity)*
Annual Improvements to MFRS Accounting Standards - Volume 11

● **Effective for financial periods beginning on or after 1 January 2027.**

MFRS 18 Presentation and Disclosure in Financial Statements.
MFRS 19 and Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures.
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - *(Translation to a Hyperinflationary Presentation Currency)*

● **Effective date of these Amendments to Standards has been deferred, and yet to be announced.**

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

The Group will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any material impact on the consolidated financial statements upon their initial applications except the Group is currently assessing the impact of adopting MFRS18.

A3. Auditors' report on preceding annual financial statements

There were no qualifications on the audited financial statements of the Company and its subsidiary companies for the financial year ended 31 December 2024.

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 : INTERIM FINANCIAL REPORTING (CONT'D)

A4. Seasonal of cyclical factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial year under review.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in Accounting Estimates

There were no material changes in estimates that have a material effect on the results for the current quarter and financial year under review.

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

An interim dividend of RM2.4 million was declared on 27 February 2025 and paid on 27 March 2025.

A9. Valuation of property, plant and equipment

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

A10. Capital commitments

	UNAUDITED	AUDITED
	As at	As at
	30.12.2025	31.12.2024
	RM'000	RM'000
Land under property development		
Authorised and contracted for	22,303	22,547

A11. Material Subsequent Events

There were no material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

A12. Changes in the composition of the Group

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

A13. Contingent assets and contingent liabilities

Save as disclosed in Note B10 of this report, the Group is not aware of any material and/or indirect contingent liabilities that may be incurred by the Group that may have a material impact on its financial position.

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

B1. REVIEW OF PERFORMANCE

Results for current quarter

KTI Landmark and its subsidiaries ("the Group") recorded a revenue of RM113.08 million for the current quarter ended 31 December 2025. The revenue was mainly derived from ongoing property development projects, namely Kayana Heights, Taman Seraya, and The Logg, together with external construction projects in Lok Kawi, Labuan and ABM.

The Group recorded a Profit Before Tax (PBT) of RM10.95 million for the current quarter, supported by steady progress in development activities and a significantly higher volume in the construction segment.

B2.1 Comparison with preceding year corresponding quarter's results

	Income		Variance	
	Unaudited	Unaudited		
		Preceding Year		
	Current Year Quarter	Corresponding Quarter		
	31.12.2025	31.12.2024		
	RM'000	RM'000	RM'000	%
Revenue				
Property Development	67,400	45,893	21,507	47%
Construction	45,679	20,129	25,550	127%
	<u>113,079</u>	<u>66,022</u>	<u>47,057</u>	<u>71%</u>
PBT	10,947	8,615	2,332	27%

For the quarter ended 31 December 2025, the Group registered revenue of RM113.08 million, representing an increase of RM47.06 million or 71% compared to RM66.02 million recorded in the preceding year corresponding quarter.

Revenue from the Property Development segment increased to RM67.40 million (2024: RM45.89 million), mainly attributable to higher progress billings from ongoing flagship development projects. The Construction segment reported a substantial revenue growth of 127% to RM45.68 million (2024: RM20.13 million), in line with the improved work progress and accelerated execution of active external construction contracts.

Consequent to the higher revenue and improved contribution from both segments, the Group recorded a PBT of RM10.95 million, an increase of RM2.33 million or 27% compared to RM8.62 million in the preceding year corresponding quarter.

B2.2 Comparison with immediate preceding quarter's results

	Income		Variance	
	Unaudited Current Year Quarter 30.12.2025 RM'000	Unaudited Immediate Preceding Quarter 30.9.2025 RM'000	RM'000	%
Revenue				
Property Development	67,400	47,280	20,120	43%
Construction	45,679	34,202	11,477	34%
	<u>113,079</u>	<u>81,482</u>	<u>31,597</u>	<u>39%</u>
PBT	10,947	7,094	3,853	54%

The Group's revenue for the current quarter increased by RM31.60 million or 39% compared to the immediate preceding quarter ended 30 September 2025. Revenue from Property Development segment increased by RM20.12 million or 43%, while the Construction segment recorded an increase of RM11.48 million or 34%, primarily due to accelerated progress across all active project sites. In line with the higher revenue, the Group's PBT increased by RM3.85 million or 54% as compared to the immediate preceding quarter.

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EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3. SEGMENT INFORMATION

Segment revenue and results
Information regarding the Group's reportable segments is presented below:

	Property development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Total RM'000
<u>Current year ended 31 December 2025</u>					
Revenue					
Sales to external customers	217,253	89,056	-	-	306,309
Inter-segment revenue	-	51,381	13,816	(65,197)	-
Total revenue	217,253	140,437	13,816	(65,197)	306,309
Segment profit before tax	22,434	15,098	1,888	(15,236)	24,184
Included in the measure of segment profit are:					
Cost of sales	171,084	112,865	11,927	(58,440)	237,436
Interest income	(519)	(337)	(156)	-	(1,012)
Interest expenses	12,314	7,039	907	-	20,260
Depreciation of property, plant and equipment	1,011	457	46	-	1,514
Tax expenses	3,250	3,465	602	(2,217)	5,100

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EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**B3. SEGMENT INFORMATION (CONT'D)**

	Property development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Total RM'000
<u>Preceding year ended 31 December 2024</u>					
Revenue					
Sales to external customers	130,969	44,416	-	(29)	175,356
Inter-segment revenue	-	53,369	-	(53,369)	-
Total revenue	130,969	98,785	-	(53,398)	175,356
Segment profit before tax	12,695	2,841	(2,597)	(4,481)	8,458
Included in the measure of segment profit are:					
Cost of sales	91,802	91,866	-	(50,562)	133,106
Interest income	(2,797)	(41)	(1,174)	3,050	(962)
Interest expenses	11,248	1,228	410	(3,050)	9,836
Depreciation of property, plant and equipment	1,222	115	-	(4)	1,333
Tax expenses	245	619	1	(925)	(60)

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EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3. SEGMENT INFORMATION (CONT'D)

	Property development RM'000	Construction RM'000	Others RM'000	Elimination RM'000	Total RM'000
<u>As at 31 December 2025</u>					
Assets					
Segment assets	547,761	256,706	412,888	(307,898)	909,457
Deferred tax assets	4,356	-	-	3,596	7,952
Current tax assets	3,737	-	51	-	3,788
Total assets	555,854	256,706	412,939	(304,302)	921,197
<u>As at 31 December 2024 (Audited)</u>					
Assets					
Segment assets	643,441	83,047	150,822	(207,461)	669,849
Deferred tax assets	4,443	-	-	1,379	5,822
Current tax assets	1,917	-	32	-	1,949
Total assets	649,801	83,047	150,854	(206,082)	677,620

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

B4. Prospects of the Group

The Construction Division will continue to focus on project execution and the timely completion of its ongoing projects, while actively seeking opportunities to expand its order book. The Division will also continue to monitor and enforce effective cost control measures in response to the current volatile geopolitical and business environment. As a positive development, the Group strengthened its construction portfolio with the award of the Akademi Binaan Malaysia Wilayah Sabah campus project from the Construction Industry Development Board Malaysia ("CIDB Malaysia"), which commenced in the third quarter of FYE 2025, and the Sabah Cultural & Traditional Complex project from the Ministry of Tourism, Culture and Environment Sabah, scheduled to commence in the first half of FYE 2026. Consequently, the Division's order book expanded to approximately RM452 million as at the reporting date.

The Property Division successfully launched and fully sold Phase 4 of Taman Seraya in Sandakan, with an estimated gross development value ("GDV") of RM25.7 million in the first half of FYE 2025. In the second half of FYE 2025, the Division launched Astoria with a GDV of RM272 million. With these launches and ongoing sales momentum, the Division is expected to deliver a satisfactory performance in the upcoming financial year. Concurrently, it will continue to adopt a cautious and resilient approach in managing its ongoing development projects while strategically exploring and evaluating new opportunities.

The Hospitality Division will continue to explore and review investment opportunities to build up its asset base with recurring revenue streams. The construction of the hotel and mall assets in Luyang are coming up as per schedule and are on target for opening in FYE2026 and will further strengthen the revenue contribution to the Group in the future years upon being operational.

The Group will continue to monitor the business environment that it operates in, with periodic assessments to be carried out to ensure prudent financial management and efficient operating procedures are in place to achieve sustainable growth moving forward. Additionally, the Group will continue to replenish the construction order book and expand its Property Division's landbank to sustain the future earnings of the Group.

Barring any unforeseen circumstances, the Board of Directors of the Company ("**Board**") is optimistic about the future prospects of the Group.

B5. Variance of actual profits from profit forecast

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

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

B6. Income tax expenses

	Quarter Year Ended		Year Ended	
	Unaudited		Unaudited	Audited
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current year	(3,794)	(3,438)	(6,805)	(3,257)
- Prior year	-	-	128	(1,518)
Deferred tax expense				
- Current year	1,577	3,897	1,577	3,349
- Prior year	-	-	-	1,486
Total tax expense	(2,217)	459	(5,100)	60

The Group's effective tax rate for the current financial quarter is lower than the statutory income tax rate of Malaysia of 24% mainly due to the recognition of deferred tax assets on unutilised tax losses and non taxable income of certain subsidiaries.

B7. Status of Corporate Proposals

There were no corporate proposals pending completion as at the date of this interim financial report.

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

B8. Bank borrowings - secured

	UNAUDITED	AUDITED
	As at	As at
	31.12.2025	31.12.2024
	RM'000	RM'000
Non-current liabilities:		
Term Loan	161,931	54,244
Lease liabilities payable	460	7,643
	162,391	61,887
Current liabilities:		
Term loan	67,240	90,625
Bank overdrafts	16,650	12,980
Bridging loan	250,294	150,295
Revolving credit	30,172	30,000
Trade facilities	18,439	15,252
Lease liabilities payable	16,106	2,744
	398,901	301,896
Total Bank Borrowings	561,292	363,783

The borrowings are denominated in Ringgit Malaysia.

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**B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS
(CONT'D)**

B9. Material litigation

Save as disclosed below, the Group is not engaged in any government, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on the financial position or profitability of the Group as at 26 February 2026:

(i) *Landmark Property Sdn Bhd ("Landmark Property") v Ketua Pengarah Hasil Dalam Negeri and Lembaga Hasil Dalam Negeri Malaysia ("LHDN")*

Pursuant to the letter dated 2 November 2020 from LHDN to Landmark Property, LHDN stated that the expenses incurred by Landmark Property in relation to the government grant awarded to Landmark Property of up to RM56,225,544 for the years of assessment 2016, 2017 and 2018 are not deductible for tax purposes pursuant to Paragraph 3 of the Income Tax (Exemption) (No.22) Order 2006 ("**Exemption Order**").

Landmark Property filed a judicial review application on 25 November 2020 ("**Judicial Review**") seeking for a declaration that the following notices are ultra vires the Exemption Order, Section 127(3)(b) of the Income Tax Act 1967 and accordingly are null and void in law:

- (aa) the Notice of Assessment for the Year of Assessment 2016;
 - (bb) the Notice of Assessment for the Year of Assessment 2017; and
 - (cc) the Notice of Additional Assessment for the Year of Assessment 2018,
- (collectively, "**the Impugned Assessments**").

On 23 December 2020, the High Court granted Landmark Property leave to commence the said Judicial Review, subsequently on 9 July 2021, the Judicial Review application was allowed by the High Court. Following that, in August 2021, LHDN filed a Notice of Appeal to the Court of Appeal against the decision of the High Court ("**Substantive Appeal**") and the Substantive Appeal was stayed pending Landmark Property's appeal against the dismissal of their representing solicitor's ad hoc admission application ("**the Ad Hoc Admission Appeal**"). The Ad Hoc Admission Appeal was dismissed by the Court of Appeal, and Landmark Property applied to the Federal Court for leave to appeal against the Decision of the Court of Appeal but this was dismissed on 25 February 2025.

The Court of Appeal allowed the Substantive Appeal on 13 March 2025.

Landmark Property has made payment to LHDN up till July 2021 amounting to RM1,337,041 in accordance with an Impugned Assessments instalment scheme that was proposed for the settlement of the tax liabilities ("**Amount Paid**"), and Landmark Property has since ceased subsequent payments to be made in accordance with the abovementioned instalment scheme following the High Court's decision to allow the Judicial Review application. In light of the Substantive Appeal being allowed, the balance amount of the impugned Assessments due is RM14,670,037.27.

Landmark Property has on 25 March 2025 filed a Notice of Motion to Stay the Decision of the Court of Appeal. Further, Landmark Property has on 11 April 2025 filed (i) a Notice of Motion for Leave to Appeal to the Federal Court against the Decision of the Court of Appeal; and (ii) a Notice of Motion to Recall and Vary the Judgment of the Court of Appeal.

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS
(CONT'D)

The representing solicitors are of the view that Landmark Property has a reasonable prospect of success in both Motions, given that on the same day the Court of Appeal delivered its decision in the Substantive Appeal, the Federal Court, in *Ketua Pengarah Hasil Dalam Negeri v. Kind Action (M) Sdn Bhd (Civil Appeal No. 01(f)-18-05/2024(J))*, issued a conflicting judgement which, if applied to the Substantive Appeal, would favour LPSB.

Therefore, the representing solicitors are of the opinion that the LHDN has no reasonable basis to issue the impugned Assessments.

Ad Hoc Admission Application

On 25 July 2025, their representing solicitors filed another Ad Hoc Admission Application that Mr. Thangaraj be granted permission to practice and appear as Senior and Lead Counsel for Landmark Property in the Federal Court to seek Motion for Leave to Appeal against the Decision of the Court of Appeal, and if leave is granted, in Landmark Property's intended appeal to the Federal Court, including in any related interlocutory proceedings.

On 8 September 2025, the High Court granted the Ad Hoc Admission Application with no order as to costs on the basis that: (i) it is Landmark Property's last chance to overturn the decision of the Court of Appeal; and (ii) there is room to say that the subject matter before the Federal Court would benefit from the assistance of a Senior Counsel.

Stay Motion & Recall and Vary Motion

Both the Motion to Stay the Decision of the Court of Appeal and the Motion to Recall and Vary the Judgment of the Court of Appeal were dismissed by the Court of Appeal on 11 November 2025.

On 10 December 2025, Landmark Property filed a Notice of Motion for Leave to Appeal to the Federal Court against the Decision of the Court of Appeal in dismissing the Recall and Vary Motion.

The Recall and Vary Leave Motion and the Substantive Leave Motion are fixed for Consolidated Hearing on 11 March 2026.

(ii) *Landmark Property v GCA*

Landmark Property and GCA entered into a Memorandum of Agreement / Conditions of Engagement dated 3 November 2010 ("**Contract**") for the provision of professional services by GCA for Landmark Property's project called "Proposed Commercial & Housing Development on Country Lease No. 025341940 at Kinarut South, Papar, Sabah" ("**Project**"). The Project is divided into Phase 1 to 3 and Phase 4.

In respect of Phase 1 to 3, GCA claims an alleged total sum of RM2,490,341.59 as at 30 June 2021 for work done. In respect of Phase 4, GCA claims an alleged total sum of RM7,659,459.80 as at 30 June 2021 for work done.

Landmark Property counterclaimed against GCA for the following reliefs:

- (aa) a declaration that the suspension by GCA of its professional services in failing or refusing to issue the *Perumahan Penjawat Awam Malaysia* (PPAM) certification for Phase 4 of the Project was unlawful and a repudiation of the Contract;
- (bb) a declaration that Landmark Property has lawfully terminated the Contract; and
- (cc) that GCA is to pay to Landmark Property the sum of RM3,825,460.50 (excluding interest and cost) as at 19 August 2021 comprising of financing costs or interest charges, additional cost to carry out valuation or quantity surveying works, additional cost incurred to appoint another prime consultant and two other consultants, interest and costs.

**B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS
(CONT'D)**

On 2 June 2022, the final arbitration award was rendered against Landmark Property in the following terms:

- (aa) the outstanding professional fees and 6.0% sales and service tax amounting to RM2,092,777.34 for Phases 1 to 3 and the amount of RM2,192,522.50 for Phase 4 was awarded to GCA;
- (bb) the simple interest at the rate of 5.0% per annum on the amount of RM2,092,777.34 for Phases 1 to 3 and on the amount of RM2,192,522.50 for Phase 4 awarded to GCA calculated from the date of the final award to the date of full realisation; and
- (cc) Landmark Property will pay GCA's cost and the cost of GCA's solicitor on a client-solicitor basis taxed by the court, including all costs and expenses and payments already incurred and/or disbursed for this arbitration.

On 7 July 2022, the High Court registered the final award as a court order. Landmark Property's application to set aside the final award ("Main Suit") was dismissed on 16 January 2023. Subsequent thereto, Landmark Property fully paid the sums due, amounting to RM4,644,062.86 pursuant to the court order to GCA in early 2023. Despite having lost in the High Court in respect of the Main Suit, Landmark Property has filed a notice of appeal to the Court of Appeal. The parties received the grounds of judgment of the High Court on 3 October 2023. The Court of Appeal heard the appeal on 21 May 2025.

On 3 September 2025, the Court of Appeal rendered Judgment in favour of Landmark Property and allowed the final award to be set aside. As such, LPSB is entitled to now commence execution/enforcement proceedings to recover the RM4,644,062.86 earlier paid by LPSB to GCA, and to claim RM20,000 (being the costs awarded to LPSB by the Court of Appeal) and RM800 (being allocator fees paid by LPSB to the Court of Appeal) from GCA.

On 2 October 2025, GCA filed a Motion for Leave to Appeal to the Federal Court. The Federal Court will hear the said Motion on 11 March 2026. The solicitors are of the opinion that Landmark Property will have a good chance of successfully defending the appeal.

B10. Contingent liabilities

Save for the value of the Impugned Assessments amounting to RM13,196,720.34 as disclosed in B9 (i) above, there are no contingent liabilities incurred by the Group, the subsidiaries, which upon becoming enforceable, may have a material effect on the financial position or the subsidiaries' financial position.

B11. Dividend

The Board of Directors had on 27 February 2026 declared a single-tier interim dividend in respect of financial year ended 31 December 2025 of 0.4 sen per share to be paid on 26 May 2026 to every member who is entitled to receive dividend at the close of business on 27 April 2026.

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B12. Earnings per share

The basic and diluted earnings per share for the current financial quarter and financial year end are computed as follows:

	UNAUDITED	UNAUDITED
	Current	Current
	Quarter Ended	Year
	31.12.2025	Ending
	RM'000	31.12.2025
		RM'000
Profit attributable to the owners of the Company	8,730	19,084
Weighted average	800,000	800,000
Basic / Diluted EPS (sen)	1.09	2.39

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B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B13. Notes to the Statement of Comprehensive Income

	UNAUDITED Current Quarter Ended 31.12.2025 RM'000	UNAUDITED Current Year Ended 31.12.2025 RM'000
PBT is after charging / (crediting)		
Depreciation of property, plant and equipment	404	1,514
Directors' remuneration	724	3,216
Interest expense	5,491	18,606
Interest on lease liabilities	1,020	1,654
Staff Costs	2,394	8,285
Interest income	(264)	(1,012)
Rental income	(586)	(3,257)

B14. Related Party Transactions

	UNAUDITED Current Quarter Ended 31.12.2025 RM'000	UNAUDITED Current Year Ended 31.12.2025 RM'000
Transactions with Directors		
Rental expenses	12	48
Directors' remuneration and emoluments	588	2,539
Transactions with related party		
Rental expenses	14	41
Repair and maintenance of motor vehicles	32	111

BY ORDER OF THE BOARD

KTI LANDMARK BERHAD

27 February 2026