



SIN-KUNG LOGISTICS BERHAD

Registration No. 199401035432 (321115-P)

(Incorporated in Malaysia)

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

SIN-KUNG LOGISTICS BERHAD
(Registration No. 199401035432 (321115-P))
(Incorporated in Malaysia)

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

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Revenue	16,001	13,585	62,748	54,159
Cost of sales	(14,028)	(8,406)	(43,665)	(31,396)
Gross profit	1,973	5,179	19,083	22,763
Other income	1,461	204	2,046	638
Administrative expenses	(5,155)	(4,008)	(19,006)	(15,549)
(Loss)/Profit from operations	(1,721)	1,375	2,123	7,852
Finance costs	(2,021)	(1,069)	(5,028)	(4,330)
Loss before tax	(3,742)	306	(2,905)	3,522
Taxation	(248)	(2,350)	(1,436)	(4,235)
Loss after tax	(3,990)	(2,044)	(4,341)	(713)
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss:				
Exchange translation differences of foreign operations	6	(17)	22	7
Total comprehensive loss for the period	(3,984)	(2,061)	(4,319)	(706)

Note:-

- (1) The unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025⁽¹⁾
(CONTINUED)

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Loss after tax attributable to:				
Owners of the Company	(3,984)	(2,042)	(4,332)	(711)
Non-controlling interests	(6)	(2)	(9)	(2)
Loss after tax	<u>(3,990)</u>	<u>(2,044)</u>	<u>(4,341)</u>	<u>(713)</u>
Total comprehensive loss attributable to:				
Owners of the Company	(3,978)	(2,059)	(4,310)	(704)
Non-controlling interests	(6)	(2)	(9)	(2)
Total comprehensive loss for the financial period	<u>(3,984)</u>	<u>(2,061)</u>	<u>(4,319)</u>	<u>(706)</u>
Basic losses per share (sen)	<u>(0.33)</u>	<u>(0.17)</u>	<u>(0.36)</u>	<u>(0.06)</u>

Note:-

- (1) The unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.
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SIN-KUNG LOGISTICS BERHAD
(Registration No. 199401035432 (321115-P))
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025⁽¹⁾

	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	122,116	88,445
Investment properties	12,625	12,625
Right-of-use assets	73,825	44,431
Other investments	5	5
Goodwill	14,099	-
Total non-current assets	222,670	145,506
Current assets		
Inventories	3,049	2,912
Trade receivables	6,544	6,612
Other receivables	6,802	6,049
Amount due from related parties	92	-
Tax recoverable	195	385
Cash and bank balances	20,087	21,904
Total current assets	36,769	37,862
TOTAL ASSETS	259,439	183,368
EQUITY		
Share capital	32,749	32,749
Reserves	47,189	51,499
Equity attributable to the owners of the Company	79,937	84,248
Non-controlling interests	54	63
Total equity	79,992	84,311
LIABILITIES		
Non-current liabilities		
Lease liabilities	33,162	10,947
Loans and borrowings	103,082	65,375
Deferred tax liabilities	7,109	5,678
Total non-current liabilities	143,353	82,000

Note:-

- (1) The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

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

	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
Current liabilities		
Trade payables	641	219
Other payables	4,686	7,257
Amount due to a related party	1,232	-
Tax payable	4	2
Lease liabilities	12,646	5,797
Loan and borrowings	16,885	3,782
Total current liabilities	36,094	17,057
Total liabilities	179,447	99,057
TOTAL EQUITY AND LIABILITIES	259,439	183,368
Net assets per ordinary share attributable to owners of the Company (RM)	0.07	0.07

Note:-

- (1) The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE
FOURTH QUARTER ENDED 31 DECEMBER 2025⁽¹⁾**

	Attributable to owners of the parents				Non- controlling interests RM'000	Total equity RM'000
	Non-distributable		Distributable			
	Share capital RM'000	Foreign currency translation RM'000	Retained earnings RM'000	Total RM'000		
At 1 January 2025	32,749	(18)	51,517	84,248	63	84,311
Loss for the financial year	-	-	(4,332)	(4,332)	(9)	(4,341)
Other comprehensive income for the financial year: Foreign exchange translation reserve	-	22	-	22	-	22
Total comprehensive income / (loss) for the financial year	-	22	(4,332)	(4,310)	(9)	(4,319)
At 31 December 2025	32,749	4	47,185	79,938	54	79,992

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE
FOURTH QUARTER ENDED 31 DECEMBER 2025⁽¹⁾ (CONTINUED)**

	Attributable to owners of the parents					
	Non-distributable		Distributable		Non-controlling interests	Total equity
	Share capital	Foreign currency translation	Retained earnings	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2024	8,000	(25)	52,228	60,203	65	60,268
Profit for the financial period	-	-	(711)	(711)	(2)	(713)
Other comprehensive income for the financial year:						
Foreign exchange translation reserve	-	7	-	7	-	7
Total comprehensive income for the financial period	-	7	(711)	(704)	(2)	(706)
Transactions with owners:						
- Issuance of new ordinary shares ⁽³⁾	26,000	-	-	26,000	-	26,000
- Share issuance expenses ⁽⁴⁾	(1,251)	-	-	(1,251)	-	(1,251)
Total transactions with owners	24,749	-	-	24,749	-	24,749
At 31 December 2024	32,749	(18)	51,517	84,248	63	84,311

Note:-

- (1) The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

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

	CURRENT YEAR-TO- DATE 31.12.2025 RM'000	PRECEDING YEAR-TO- DATE 31.12.2024 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(2,905)	3,522
Adjustments for:		
Amortisation of rights-of-use assets	7,733	3,862
Depreciation of property, plant and equipment	2,691	1,635
Finance costs	5,027	4,330
Gain on disposal of property, plant and equipment	(133)	(10)
Gain on disposal of right of use asset	(82)	-
Loss on modification of lease term	-	2
Interest income	(427)	(389)
Unrealised (gain)/loss on foreign exchange	(1,260)	17
Operating profit before working capital changes	10,644	12,969
Changes in working capital:		
Inventories	76	7
Trade receivables	456	1,367
Other receivables	(2,043)	411
Trade payables	370	33
Other payables	(1,611)	5,876
Related parties	(92)	-
Cash generated from operations	7,800	20,663
Tax paid	(491)	(2,198)
Tax refunded	-	14
Net cash from operating activities	7,309	18,479
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,557)	(2,368)
Acquisition of right-of-use assets	(3,151)	(3,713)
Acquisition of a subsidiary, net of cash and cash equivalent acquired	(2,144)	-
Deposit paid for acquiring a subsidiary	-	(2,070)
Deposits paid for acquiring property, plant and equipment and right-of-use assets	(406)	(467)
Interest received	427	389
Proceed from disposal of property, plant and equipment	235	10
Proceed from disposal of a right-of-use asset	323	-
Net cash used in investing activities	(6,273)	(8,219)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025⁽¹⁾ (CONTINUED)

	CURRENT YEAR-TO- DATE 31.12.2025 RM'000	PRECEDING YEAR-TO- DATE 31.12.2024 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown of term loan	4,953	-
Drawdown of revolving credit	11,000	-
Amount due from a related party	34	-
Interest paid	(7,681)	(4,387)
Payments of lease liabilities	(6,061)	(5,969)
Payments of share issuance expenses	-	(1,251)
Proceeds from issuance of ordinary shares	-	26,000
Repayment of term loans	(5,273)	(12,888)
Net cash (used in)/generated from financing activities	(3,028)	1,505
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
	(1,992)	11,765
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		
	21,904	10,149
EFFECT OF EXCHANGE TRANSLATION DIFFERENCES		
	175	(10)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD		
	20,087	21,904

Note:-

- (1) The unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

This interim financial report of the Group is unaudited and has been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 and Appendix 9B of Listing Requirements of Bursa Securities.

The unaudited interim financial report should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2024. The Group prepared its financial statements in accordance with the Malaysian Financial Reporting Standards ("**MFRS**").

The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the change in the financial position and performance of Sin-Kung Logistics Berhad ("**Sin-Kung**" or the "**Company**") and its subsidiaries (the "**Group**") since the financial year ended 31 December 2024.

A2. Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2024, except for the adoption of the following amendments to MFRSs during the financial period.

(a) MFRSs, Amendments to MFRSs and Interpretations adopted

Amendments to MFRS 121 Lack of Exchangeability

The adoption of the abovementioned accounting standards and amendments is not expected to have any material impact on the financial statements of the Group.

(b) Amendments to MFRSs not adopted

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:-

Effective for financial period beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments

Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 Annual Improvements to MFRS Accounting Standards - Volume 11

Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity

Effective for financial period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective date yet to be confirmed

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above-mentioned amendments to MFRSs are not expected to have any material impacts to the financial statements of the Group.

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A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MFRS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors in the current quarter and financial period-to-date under review.

A5. Unusual Items Due to Their Nature, Size or Incidence

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

A6. Material Changes in Estimates

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

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchases, resales and repayment of debts and equity securities in the current quarter and financial period-to-date under review.

A8. Dividend Paid

There was no dividend paid during the current quarter under review.

A9. Segmental Information

The Group's revenue is segmented as follows:

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Land transportation services	14,053	11,874	53,973	46,022
Warehousing and distribution services	1,435	1,682	6,501	7,917
Aviation services	489	-	2,182	-
Other logistics-related services ⁽¹⁾	24	29	92	220
Total	<u>16,001</u>	<u>13,585</u>	<u>62,748</u>	<u>54,159</u>

Note:-

- (1) Comprises licensed brokerage and forwarding services, express delivery services as well as cargo escort services.

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A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MFRS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Material events subsequent to the end of the reporting period

There were no material events subsequent to the end of the reporting period have occurred.

A11. Changes in composition of the Group

On 13 March 2025, the Company completed the acquisition of the entire equity interest in Prima Air Sdn. Bhd. ("**PASB**") for a purchase consideration of RM20,700,000. Upon completion of the acquisition, PASB became a wholly-owned subsidiary of the Group. Subsequently, PASB changed its name to Sin-Kung Airways Sdn. Bhd. on 14 May 2025.

On 15 October 2025, the Company incorporated a new wholly-owned subsidiary, Sin-Kung Leasing Pte Ltd. ("**SKLPL**"), in Labuan, Malaysia. Its principal activity is providing aircraft leasing, and it has an issued share capital of USD10,000.

A12. Contingent liabilities or contingent assets

Save as disclosed below, there were no contingent liabilities or contingent assets in the Group as at the date of this interim financial report:

	RM'000
Bank guarantees	<u>485</u>

A13. Related Party Transactions Disclosures

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

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Company in which Directors have interests:				
Sales	206	-	690	-
Purchases	(22)	-	(48)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MFRS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A14. Capital Commitments

Other than as disclosed below, there are no other material commitments as at the end of the current financial quarter under review.

	RM'000
Authorised and contracted for:	
Freehold land and building	10,140
Authorised and not contracted for:	
Commercial vehicles	9,492
Total capital commitments	<u><u>19,632</u></u>

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Unaudited RM'000	Audited RM'000	Unaudited RM'000	Audited RM'000
Revenue	16,001	13,585	62,748	54,159
Gross profit	1,973	5,179	19,083	22,763
Loss before tax	(3,742)	306	(2,905)	3,522
Loss after tax	(3,990)	(2,044)	(4,341)	(713)
Loss attributable to the owners of the Company	<u>(3,984)</u>	<u>(2,042)</u>	<u>(4,332)</u>	<u>(711)</u>

The Group's revenue has increased by 17.6% or RM2.4 million to RM16.0 million for the current financial quarter as compared to RM13.6 million recorded for the corresponding quarter in the preceding year. The Group's revenue was mainly contributed by the land transportation segment which accounted for RM14.1 million, representing 87.8% of the total revenue for the current financial quarter. Furthermore, the Group's revenue for the financial year-to-date rose by 15.8%, or RM8.6 million, to RM62.7 million, compared to RM54.2 million recorded in the preceding financial year.

The Group registered a loss before tax of RM3.7 million for the current financial quarter, compared to profit before tax of RM0.3 million in the corresponding quarter of the previous year. This loss was mainly attributable to the RM5.1 million increase in operational overheads incurred by the new aviation service segment. These overheads included pre-operating costs essential for the air cargo business, which is scheduled to commence operations by Q1 FY2026.

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B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance (Continued)

For the financial year-to-date, the Group reported a loss before tax of RM2.9 million, compared to profit before tax of RM3.5 million in the preceding financial year-to-date.

This decrease was primarily driven by RM8.3 million in operational costs from Sin-Kung Airways Sdn. Bhd. (formerly known as PASB) and RM3.4 million in administrative expenses. The increase in operational costs was mainly due to preparations for the commencement of the air cargo business in Q1 FY2026. The overall cost increases were partially offset by increase of RM8.6 million in revenue. The administrative expenses mainly comprised employee-related costs, directors' remuneration, upkeep and maintenance expenses, depreciation of property, plant and equipment, and amortisation of right-of-use assets.

B2. Comparison with Immediate Preceding Quarter's Results

	CURRENT QUARTER 31.12.2025 Unaudited RM'000	PRECEDING QUARTER 30.09.2025 Unaudited RM'000
Revenue	16,001	17,917
Gross profit	1,973	6,881
(Loss)/Profit before tax	<u>(3,742)</u>	<u>1,501</u>

The Group recorded a lower revenue of RM16.0 million for the current quarter compared to RM17.9 million in the preceding quarter. This decrease was primarily attributable to lower contributions from both land transportation services (RM14.1 million compared to RM15.1 million in the preceding quarter) and aviation services (RM0.5 million compared to RM1.1 million).

The Group's gross profit for the current quarter decreased by 71.3% or RM4.9 million to RM2.0 million, compared to RM6.9 million in preceding quarter. This decrease was primarily attributable to higher operational costs, mainly arising from preparations for the commencement of the air cargo business in Q1 FY2026.

The Group's reported a loss before tax of RM3.7 million for the current quarter, compared to profit before tax of RM1.5 million in the preceding quarter. The reversal in performance was mainly due to upfront start-up and pre-operating expenditures, including manpower recruitment costs, as well as leasing and maintenance expenses incurred to operationalise the air cargo business.

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B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONTINUED)

B3. Prospects of the Group

The World Bank's latest Global Economic Prospects report in January 2025 forecasts a global economic growth of 2.7% in 2025 and 2026, while BNM projects the Malaysian economy to grow between 4.5% and 5.5% in 2025, driven by resilient domestic demand and ongoing investment activity.

Looking ahead to 2025 and beyond, the Group has established clear strategic priorities to drive sustainable growth and shareholder value. Our recent acquisition of Prima Air Sdn. Bhd. ("**PASB**"), which changed its name to Sin-Kung Airways Sdn. Bhd. on 14 May 2025, is central to our strategy to broaden our service offerings. By integrating air feeder services and our existing road feeder services, we aim to provide comprehensive, end-to-end supply chain solutions for our customers. We plan to commence our air cargo business with the first aircraft operational by Q1 FY2026. We will expand the fleet to a total of three aircraft, with the second unit added by Q1 FY2026 and the third unit by Q2 FY2026, marking a significant step in our evolution as a full-service logistics provider.

The launch of our air cargo operations represents a transformative opportunity to capture a larger share of the air freight market and establish strategic interline partnerships with major airlines. We anticipate that this new division will contribute significantly to revenue diversification and profitability over the short to medium term.

Geographic expansion remains a key focus, with plans to extend our service network into emerging ASEAN markets and the broader Asian region, while deepening our penetration in existing territories. The upcoming warehouse in Seberang Perai Selatan, Penang, with an estimated annual capacity of 192,000 pallets will significantly increase Sin-Kung's total warehouse storage capacity to 250,812 pallets by Q1 2026, catering to the growing demand from multinational corporations. The Group also plans to expand its trucking and container haulage operations by acquiring additional commercial vehicles in 2025.

Technology investments will continue, particularly in warehouse automation and data analytics, to enhance productivity and service quality. Our commitment to sustainability will be further demonstrated through the eco-friendly design of our new Valdor facility and ongoing fleet modernisation programs.

Financially, we are targeting revenue growth that outpaces the broader logistics market, with particular emphasis on higher-value service offerings. The successful integration of Sin-Kung Airways Sdn. Bhd. (formerly known as PASB) and the optimal utilisation of our expanded warehouse capacity are expected to be key contributors to achieving these objectives.

B4. Variance of actual profits from forecast profits

The Group did not issue any profit forecast or profit guarantee in the current quarter under review and period-to-date.

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B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONTINUED)

B5. Taxation

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Current tax	248	1,231	686	2,386
Deferred tax	-	1,119	750	1,849
Total	<u>248</u>	<u>2,350</u>	<u>1,436</u>	<u>4,235</u>

The effective tax rate for the current quarter is lower than the statutory tax rate of 24%, primarily due to the overprovision of deferred tax expenses in the prior financial quarter, which has been offset against the deferred tax expense in the current quarter. In contrast, the effective tax rate for the financial year-to-date is higher than the statutory rate, mainly as a result of the increased losses before tax, which magnify the proportional impact of expenses that are not deductible for tax purposes.

B6. Status of Corporate Proposals

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

B7. Utilisation of proceeds from the public issue

The gross proceeds of RM26.0 million raised from the Listing and the status of utilisation is disclosed in the following manner:-

Utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation ⁽¹⁾
Expansion of warehousing and distribution services	10,020	-	10,020	Within 36 months
Repayment of bank borrowings	9,630	9,630	-	Within 12 months
Purchase of commercial vehicles	2,000	2,000	-	Within 24 months
Working capital	1,050	1,050	-	Within 12 months
Estimated listing expenses	3,300	3,300	-	Within 1 month
	<u>26,000</u>	<u>15,980</u>	<u>10,020</u>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus.

Note:-

(1) From the date of listing of the Company.

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B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONTINUED)

B8. Group borrowings

	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
Non-current:		
Lease liabilities	33,162	10,947
Loan and borrowings	103,082	65,375
	<u>136,244</u>	<u>76,322</u>
Current:		
Lease liabilities	12,646	5,797
Loan and borrowings	16,885	3,782
	<u>29,531</u>	<u>9,579</u>
Total borrowings and debts securities	<u>165,775</u>	<u>85,901</u>

B9. Material Litigations

On 23 January 2026, the Company had served a Notice of Arbitration against Teleport Everywhere Pte. Ltd. Under the Asian International Arbitration Centre Arbitration Rules, 2021. The Company does not expect any material operational and financial impact towards the Company and its subsidiaries for the financial year ending 31 December 2026 arising from the Arbitration.

Other than this, there was no other material litigation involving the Group as at the date of this interim financial report.

B10. Dividends

No dividend has been declared or proposed for payment by the Board during the financial period under review.

B11. Losses Per Share

The basic EPS for the current financial quarter under review and financial period-to-date are computed as follows:

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Loss attributable to owners of the Company	(3,984)	(2,042)	(4,332)	(711)
Number of ordinary shares in issue ('000)	1,200,000	1,200,000	1,200,000	1,200,000
Basic LPS (sen)	<u>(0.33)</u>	<u>(0.17)</u>	<u>(0.36)</u>	<u>(0.06)</u>

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B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONTINUED)

B12. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following items have been charged / (credited) in arriving at the profit before taxation for the current financial quarter and the profit before taxation for the financial period-to-date:-

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000	31.12.2025 Unaudited RM'000	31.12.2024 Audited RM'000
After charging/ (crediting):				
Amortisation of right-of-use assets	4,421	1,065	7,733	3,862
Depreciation of property, plant and equipment	767	454	2,691	1,635
Interest expense of:				
- Loan and borrowings	939	804	2,982	3,294
- Lease liabilities	1,081	265	2,045	1,036
Lease expenses relating to low value assets:				
- Computer software and equipment	-	-	-	11
Interest income	(115)	(124)	(427)	(389)
Income from selling fresh fruit bunches	(19)	(16)	(58)	(45)
Gain on disposal of property, plant and equipment	(133)	(10)	(133)	(10)
Gain on disposal of right of use asset	(82)	-	(82)	-
Loss/(Gain) on foreign exchange:				
- Realised	39	*	80	(5)
- Unrealised	(1,141)	(41)	(1,260)	17

B13. Authorisation for Issue

This interim financial report was authorised for issue by the Board in accordance with a resolution passed by the Board on 24 February 2026.