

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)
Incorporated in Malaysia

Interim Financial Report
31 December 2025

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Fourth Quarter and Financial Year Ended 31 December 2025**

	4th Quarter Ended		Financial Year Ended		
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	
	RM'000	RM'000	RM'000	RM'000	
Revenue	356,313	724,445	1,419,626	1,741,879	
Cost of sales	(177,629)	(530,002)	(792,713)	(1,085,098)	
Gross profit	178,684	194,443	626,913	656,781	
Other income	24,714	37,876	52,790	101,107	
Other operating expenses	(22,956)	(11,067)	(44,856)	(39,426)	
Administrative and distribution expenses	(20,844)	(24,758)	(85,811)	(80,718)	
Profit from operations	159,598	196,494	549,036	637,744	
Finance costs	(12,052)	(14,919)	(49,499)	(62,183)	
Share of results in equity accounted investments, net of tax	(15,707)	(35,127)	(74,252)	(66,242)	
Profit before tax	131,839	146,448	425,285	509,319	
Income tax expense	(6,921)	118	(20,595)	(18,301)	
Profit after tax for the period/year	124,918	146,566	404,690	491,018	
Other comprehensive income/(expenses)	(110,711)	187,387	(286,373)	(114,011)	
Total comprehensive income/(expenses) for the period/year	14,207	333,953	118,317	377,007	
Profit after tax attributable to:					
- Owners of the Company	118,499	141,715	386,973	459,178	
- Non-controlling interests	6,419	4,851	17,717	31,840	
	124,918	146,566	404,690	491,018	
Total comprehensive income/(expenses) attributable to:					
- Owners of the Company	15,691	326,164	112,044	347,714	
- Non-controlling interests	(1,484)	7,789	6,273	29,293	
	14,207	333,953	118,317	377,007	
EPS - Basic (sen)	B11	12.58	15.04	41.06	48.71

The notes set out on pages 7 to 31 form an integral part and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Financial Position
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		
Service concession asset	1,921,276	2,175,656
Property, plant and equipment	980,111	852,473
Water rights	294,006	337,515
Receivable and other asset	191,597	246,445
Investment properties	185,530	184,997
Right of use assets	113,413	117,549
Joint venture and associates	184,866	173,432
Investment in quoted shares	50,118	87,351
Inventories	40,166	40,166
Goodwill on consolidation	57,927	57,927
Development expenditures	542	884
Investment in unquoted shares	686	669
	4,020,238	4,275,064
Current Assets		
Inventories and biological assets	168,574	186,197
Receivables and other assets	303,104	391,774
Short-term investment	381	-
Bank balances and deposits	466,133	268,320
	938,192	846,291
TOTAL ASSETS	4,958,430	5,121,355
EQUITY AND LIABILITIES		
Equity Attributable To Owners Of The Company		
Share capital	743,121	743,121
Treasury shares	(47,685)	(46,473)
Retained profits	2,888,527	2,588,726
Other reserves	(235,779)	39,150
	3,348,184	3,324,524
Non-Controlling Interests	206,021	219,930
Total Equity	3,554,205	3,544,454
Non-Current Liabilities		
Long-term borrowings	374,711	530,924
Deferred tax liabilities	129,671	133,853
Put option liability	-	69,220
Hire purchase and lease liabilities	7,208	8,435
Payables	6,763	2,171
	518,353	744,603
Current Liabilities		
Payables and accruals	162,773	212,995
Short-term borrowings	656,102	615,516
Put option liability	64,766	-
Hire purchase and lease liabilities	2,231	3,787
	885,872	832,298
Total Liabilities	1,404,225	1,576,901
TOTAL EQUITY AND LIABILITIES	4,958,430	5,121,355
Net Assets Per Ordinary Share (RM)	3.55	3.53

The notes set out on pages 7 to 31 form an integral part and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Changes in Equity
For the financial year ended 31 December 2024

	← Non-Distributable				→ Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance at 01.1.2024	743,121	(45,517)	139,813	73,620	27,394	(88,556)	2,207,033	3,056,908	167,110	3,224,018
Total comprehensive income for the year	-	-	(68,303)	(43,161)	-	-	459,178	347,714	29,293	377,007
Total transactions with owners:										
- Dividends to shareholders of the Company	-	-	-	-	-	-	(82,485)	(82,485)	-	(82,485)
- Purchase of treasury shares	-	(956)	-	-	-	-	-	(956)	-	(956)
	-	(956)	-	-	-	-	(82,485)	(83,441)	-	(83,441)
Dividend by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	(14,975)	(14,975)
Subscription of shares in subsidiaries by non-controlling interests	-	-	-	-	-	-	-	-	162	162
Effect on accretion of interest in a subsidiary	-	-	-	-	-	-	3,003	3,003	(9,382)	(6,379)
Effect on dilution of interest in a subsidiary	-	-	-	-	-	-	340	340	(330)	10
Gain arising from disposal of equity investments recycled to retained profits	-	-	-	(1,657)	-	-	1,657	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	48,052	48,052
Balance at 31.12.2024	743,121	(46,473)	71,510	28,802	27,394	(88,556)	2,588,726	3,324,524	219,930	3,544,454

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Unaudited Condensed Consolidated Statement of Changes in Equity (Cont'd)
For the financial year ended 31 December 2025

	← Non-Distributable				→ Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance at 01.1.2025	743,121	(46,473)	71,510	28,802	27,394	(88,556)	2,588,726	3,324,524	219,930	3,544,454
Total comprehensive income for the year	-	-	(237,770)	(37,159)	-	-	386,973	112,044	6,273	118,317
Total transactions with owners:										
- Dividend to shareholders of the Company	-	-	-	-	-	-	(87,172)	(87,172)	-	(87,172)
- Purchase of treasury shares	-	(1,212)	-	-	-	-	-	(1,212)	-	(1,212)
	-	(1,212)	-	-	-	-	(87,172)	(88,384)	-	(88,384)
Dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(28,632)	(28,632)
Subscription of shares in subsidiary by non-controlling interests	-	-	-	-	-	-	-	-	8,450	8,450
Balance at 31.12.2025	743,121	(47,685)	(166,260)	(8,357)	27,394	(88,556)	2,888,527	3,348,184	206,021	3,554,205

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Mega First Corporation Berhad
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Unaudited Condensed Consolidated Statement of Cash Flows
For the Financial Year Ended 31 December 2025

	Financial Year Ended	
	31.12.2025	31.12.2024
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	425,285	509,319
Adjustments for non-cash flow - Non-cash items	227,192	35,408
- Non-operating items	19,871	162,130
Operating profit before working capital changes	672,348	706,857
Changes in working capital - Net change in assets	117,922	(218,220)
- Net change in liabilities	(11,248)	9,329
Cash from operations	779,022	497,966
Income tax paid	(15,901)	(18,606)
Retirement benefits paid	(51)	-
Net cash from operating activities	763,070	479,360
Cash flows (for)/from investing activities		
Net cash outflow on acquisition of subsidiaries	-	(5,384)
Development expenditures/Contract costs paid for:		
- Don Sahong Hydropower Project	(29,171)	(116,784)
- Solar Project in Maldives	(21,510)	(16,274)
Dividends received	2,461	2,091
Interest received	27,354	24,190
Insurance claims received	4,029	27,797
Investment in joint venture and associates	(87,427)	(73,000)
Net cash outflow from deconsolidation/disposal of subsidiaries	-	(48)
Payments for purchase of:		
- water rights	-	(337,515)
- property, plant and equipment	(179,357)	(219,210)
- investment properties	-	(59,466)
- right of use assets	(1,213)	(95)
- quoted shares	(324)	(1,200)
Proceeds from disposal of:		
- property, plant and equipment	1,071	1,191
- quoted shares	-	3,966
Receipt from redemption of short-term investment, net	-	4,500
Subscription of additional shares in a subsidiary	-	(6,379)
Net cash for investing activities	(284,087)	(771,620)

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Unaudited Condensed Consolidated Statement of Cash Flows (Cont'd)
For the Financial Year Ended 31 December 2025

	Financial Year Ended	
	31.12.2025	31.12.2024
	RM'000	RM'000
Cash flows (for)/from financing activities		
Dividends paid to:		
- shareholders of the Company	(87,172)	(82,485)
- subsidiary's non-controlling interests	(28,632)	(14,975)
Finance costs paid *	(51,018)	(62,988)
Net drawdown/(repayment) of:		
- Revolving credits, trade financing and loans	26,022	177,580
- Hire purchase liabilities	(2,783)	(9,810)
- Term loans	(118,527)	51,136
Proceeds from issuance of shares by a subsidiary to non-controlling interest	8,450	162
Purchase of treasury shares	(1,212)	(956)
Proceeds on disposal of a partial interest in a subsidiary	-	10
Withdrawal of deposits pledged with licensed banks or deposits with original maturity period of > 3 months	8,848	5,737
Net cash (for)/from financing activities	<u>(246,024)</u>	<u>63,411</u>
Effect of foreign exchange translation	<u>(27,355)</u>	<u>(5,681)</u>
Net increase/(decrease) in cash and cash equivalents	205,604	(234,530)
Cash and cash equivalents at beginning of the year	<u>228,404</u>	<u>462,934</u>
Cash and cash equivalents at end of the year	<u><u>434,008</u></u>	<u><u>228,404</u></u>

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

Bank balances and deposits	466,133	268,320
Bank overdraft	(1,057)	-
	<u>465,076</u>	<u>268,320</u>
Less:		
- Deposits with original maturity period of more than three months	(3,020)	(11,113)
- Bank deposits pledged with licensed banks	(28,048)	(28,803)
	<u>434,008</u>	<u>228,404</u>

* Include capitalised interest.

The notes set out on pages 7 to 31 form an integral part and should be read in conjunction with this interim financial report.

Notes to the interim financial report

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024.

- (a) The accounting policies and methods of computation adopted by the Group in preparing this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2024, except for the following new accounting interpretation which was adopted at the beginning of the financial year ended 31 December 2025. This pronouncement is not relevant to the Group’s financial statements for the current quarter and financial year ended 31 December 2025.

MFRSs and/or IC Interpretations (including the Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ended 31 December 2025:

MFRSs and/or IC Interpretations (including the Consequential Amendments)

Effective Date

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability – Disclosures	1 January 2027

A1. Basis of preparation (Cont’d)

(b) (Cont’d)

- (i) MFRS 18 ‘Presentation and Disclosure in Financial Statements’ will replace MFRS 101 ‘Presentation of Financial Statements’ upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: “operating”, “investing” and “financing” and introduces 2 new subtotals: “operating profit or loss” and “profit or loss before financing and income tax”. In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The Group is in the midst of assessing the impact of implementing this new standard.
- (ii) MFRS 19 Subsidiaries without Public Accountability: Disclosures. We foresee that not many subsidiaries will adopt the exemption because the Group expects most subsidiaries to continue prepare full set of financial statements, facilitating the preparation of the consolidated financial statements.

A2. Qualification of financial statements

The auditors’ report of the Group’s annual financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

A3. Seasonal or cyclical factors

The Group’s principal business operations were not significantly affected by seasonal or cyclical factors other than its Renewable Energy Division where hydropower generation is subject to seasonal fluctuation of the water level. Normally, the water level will peak between June and November during the wet season. More detailed commentary is set out in Notes B3 and B4 to these financial statements.

A4. Unusual item

There was no item affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size or incidence in these financial statements.

A5. Nature and amount of changes in estimates

There was no change in estimates of amounts reported in prior periods that have a material effect in the period under review.

A6. Debt and equity securities

	Number of Ordinary Shares		← Amount →	
	Share Capital (Issued and Fully Paid) '000	Treasury Shares '000	Share Capital (Issued and Fully Paid) RM'000	Treasury Shares RM'000
At 1 January 2025	988,352	(45,811)	743,121	(46,473)
Shares repurchased in current year	-	(337)	-	(1,212)
At 31 December 2025	<u>988,352</u>	<u>(46,148)</u>	<u>743,121</u>	<u>(47,685)</u>

Of the total 988,352,102 issued ordinary shares as at 31 December 2025, 46,147,800 ordinary shares were held as treasury shares by the Company. Accordingly, the number of outstanding ordinary shares in issue as at 31 December 2025 was 942,204,302.

There were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in these financial statements.

A7. Segment information

12-Month Period Ended 31 December 2025	Renewable Energy RM'000	Resources RM'000	Packaging RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External revenue	658,958	198,042	432,484	130,142	-	1,419,626
Inter-segment revenue	243	-	-	354,599	(354,842)	-
Consolidated revenue	<u>659,201</u>	<u>198,042</u>	<u>432,484</u>	<u>484,741</u>	<u>(354,842)</u>	<u>1,419,626</u>
Results						
Profit from operations	<u>516,992</u>	<u>29,170</u>	<u>31,779</u>	<u>327,237</u>	<u>(356,142)</u>	<u>549,036</u>
Finance costs						(49,499)
Share of loss in equity accounted investments						(74,252)
Profit before tax						425,285
Income tax expense						(20,595)
Profit after tax						<u>404,690</u>
Total assets						
At 31 December 2025	<u>3,024,709</u>	<u>390,230</u>	<u>643,895</u>	<u>1,027,308</u>	<u>(127,712)</u>	<u>4,958,430</u>

A7. Segment information (Cont’d)

12-Month Period Ended 31 December 2024	Renewable Energy RM’000	Resources RM’000	Packaging RM’000	Investment Holding & Others RM’000	Eliminations RM’000	Consolidated RM’000
Revenue						
External revenue	1,032,250	223,621	399,167	86,841	-	1,741,879
Inter-segment revenue	261	-	-	47,158	(47,419)	-
Consolidated revenue	1,032,511	223,621	399,167	133,999	(47,419)	1,741,879
Results						
Profit from operations	543,230	48,279	38,658	56,991	(49,414)	637,744
Finance costs						(62,183)
Share of losses in equity accounted investments						(66,242)
Profit before tax						509,319
Income tax expense						(18,301)
Profit after tax						491,018
Total assets						
At 31 December 2024	3,178,278	384,463	628,587	1,146,217	(216,190)	5,121,355

A8. Dividend paid

Details of dividend declared and paid during the current quarter and financial year ended 31 December 2025 are disclosed in Note B9 to these financial statements.

A9. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment during the period reported up to 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A10. Significant event during the reporting period

There was no significant event during the reporting period.

A11. Significant event subsequent to the end of the reporting period

The Company has executed a Share Purchase Agreement (“SPA”) on 21 January 2026 to acquire additional 25,797,054 ordinary shares in its partially-owned subsidiary, Stenta Films (Malaysia) Sendirian Berhad (“SFM”) representing 12.50% of the issued shares in SFM, from existing minority shareholders, for a total purchase consideration of RM33,097,620.30 (“Additional Investment”).

The purchase consideration was determined at RM1.283 per share, being the agreed Exit Price as set out in the Put Option Agreement executed between the same parties on 28 July 2021 (“POA”) based on 30th September 2025 as the exercise date.

In conjunction with the execution of the SPA and upon completion of the Additional Investment, upon which the POA will be terminated prior to its expiry on 28 July 2026. All rights, obligations and liabilities under the POA shall cease after date of termination.

The Additional Investment allows MFCB to secure stronger financial and strategic control over a profitable and strategically important business line, while positioning for growth in packaging and industrial market.

The Additional Investment and Termination of POA is subsequently completed on 6 February 2026, whereupon the Company’s effective interest in SFM had increased from 75.0% to 87.5%.

Other than the above, there was no significant event subsequent to the end of the period reported up to 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A12. Changes in composition of the Group

Changes in the composition of the Group during the financial year ended 31 December 2025 are as follows:

- a) Two indirect wholly-owned subsidiaries of the Company, namely Mega First Power Services Sdn Bhd and Bayangan Sutera Sdn Bhd which were placed under Members’ Voluntary Winding-Up on 19 March 2024, were dissolved on 26 June 2025; and
- b) One of the Company’s wholly-owned dormant subsidiary, Mega First Mining Sdn Bhd (“MFM”) had on 8 September 2025 commenced members’ voluntary liquidation. Accordingly, the financial results of MFM have been deconsolidated from the Company’s group accounts starting from the aforesaid date.

A13. Changes in contingent liabilities and assets

(a) Contingent liability

The Group has no contingent liability as at 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

(b) Contingent asset

The Group has no contingent asset as at 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A14. Capital commitments

As at 31 December 2025, the Group has the following capital commitments:

	RM'000
Property, plant and equipment	
Approved and contracted for	59,679

A15. Significant related party transactions

There was no significant related party transaction during the current quarter and the financial year ended 31 December 2025 other than the following transactions made by the Company:

	4th Quarter Ended		Financial Year Ended	
	31 December		31 December	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>A Major Shareholder of the Company</u>				
Term loan repaid	41,968	-	128,508	47,234
Interest expense	2,925	5,634	16,542	24,935
			31.12.2025	31.12.2024
			RM'000	RM'000
Corporate guarantees given to lenders and supplier of joint ventures and associates			466,696	418,891

A16. Derivative financial instruments

	31.12.2025	31.12.2024
	RM'000	RM'000
<u>Derivative liability</u>		
Put option liability over shares of a subsidiary held by non-controlling interest	64,766	69,220

The Company entered into a Put Option Agreement with the minority shareholders of Stenta Group whereby the minority shareholders have the right to require the Company to buy their equity interest in the subsidiary in accordance to the terms of the Put Option Agreement.

The obligation by the Company to purchase Stenta Group 's equity interest held by the minority shareholders is initially recognised as put option liability with a corresponding charge direct to equity (classified as “Other Reserve”). Subsequent to the initial recognition, the put option will be remeasured at fair value and any changes in fair value is recognised in profit or loss. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Performance review - Current quarter ended 31 December 2025 (“4Q2025”) versus (“vs”) the corresponding quarter ended 31 December 2024 (“4Q2024”)

	4Q2025	4Q2024	Changes	
	RM'000	RM'000	RM'000	%
A Overview Of Financial Results				
Revenue	356,313	724,445	(368,132)	-50.8%
Other income	24,714	37,876	(13,162)	-34.8%
Other expenses	(22,956)	(11,067)	(11,889)	107.4%
Earning before interest, tax, depreciation and amortisation (“EBITDA”) *	191,190	229,325	(38,135)	-16.6%
Operating profit	159,598	196,494	(36,896)	-18.8%
Profit before tax	131,839	146,448	(14,609)	-10.0%
Profit after tax	124,918	146,566	(21,648)	-14.8%
Profit after tax attributable to owners of the Company (“PATNCI”)	118,499	141,715	(23,216)	-16.4%
B Revenue				
Renewable Energy	162,553	171,373	(8,820)	-5.1%
Resources	46,361	42,878	3,483	8.1%
Packaging	109,311	93,902	15,409	16.4%
Investment Holding & Others ^	31,673	33,044	(1,371)	-4.1%
Normalised Revenue	349,898	341,197	8,701	2.6%
Construction Revenue on Service Concession Arrangements	6,415	383,248	(376,833)	-98.3%
Reported Revenue	356,313	724,445	(368,132)	-50.8%

* EBITDA excludes share of profit/(loss) in equity accounted investments and insurance claims income

^ Inclusive of;
(Loss)/Gain on foreign exchange (8,341) 10,782 (19,123) N.M.

Mega First Corporation Berhad (“MFCB”)
Registration No. 196601000210 (6682-V)

B1. Performance review - 4Q2025 vs 4Q2024 (Cont'd)

	4Q2025	4Q2024	Changes	
	RM'000	RM'000	RM'000	%
C Profit Before Tax				
Renewable Energy	125,621	123,187	2,434	2.0%
Resources	5,162	6,617	(1,455)	-22.0%
Packaging	5,148	4,043	1,105	27.3%
Investment Holding & Others	(16,385)	4,426	(20,811)	-470.2%
Normalised Profit Before Tax	119,546	138,273	(18,727)	-13.5%
Non-recurring items				
Insurance income for assets damaged by fire in 2023	-	(289)	289	-100.0%
Construction profit on service concession arrangements	823	36,639	(35,816)	-97.8%
Over-accrual of construction costs for 5th turbine	20,102	-	20,102	N.A
Writeback of expected credit loss on amount owing by EDL from conversion of trade balance into long term receivable	-	10,759	(10,759)	-100.0%
Other items				
Share of loss in joint ventures and associates	(15,707)	(35,127)	19,420	-55.3%
Fair value gain on put option liability	6,542	4,187	2,355	56.2%
Fair value gain/(loss) on investment properties	533	(7,994)	8,527	-106.7%
	12,293	8,175	4,118	50.4%
Reported Profit Before Tax	131,839	146,448	(14,609)	-10.0%
D PATNCI				
Renewable Energy	120,632	116,959	3,673	3.1%
Resources	4,860	5,795	(935)	-16.1%
Packaging	1,866	1,536	330	21.5%
Investment Holding & Others	(15,745)	6,964	(22,709)	-326.1%
Normalised PATNCI	111,613	131,254	(19,641)	-15.0%
Non-recurring items				
Insurance income for assets damaged by fire in 2023	-	(179)	179	-100.0%
Construction profit on service concession arrangements	700	30,190	(29,490)	-97.7%
Reversal of deferred tax liability from extension of concession term, under SCA	-	6,573	(6,573)	-100.0%
Over-accrual of construction costs for 5th turbine	15,048	-	15,048	N.A
Writeback of expected credit loss on amount owing by EDL from conversion of trade balance into long term receivable	-	10,221	(10,221)	-100.0%
Other items				
Share of loss in joint ventures and associates	(15,707)	(35,127)	19,420	-55.3%
Fair value gain on put option liability	6,542	4,187	2,355	56.2%
Fair value gain/(loss) on investment properties	303	(5,404)	5,707	-105.6%
	6,886	10,461	(3,575)	-34.2%
Reported PATNCI	118,499	141,715	(23,216)	-16.4%

B1. Performance review - 4Q2025 vs 4Q2024 (Cont’d)

The Group reported normalised revenue of RM349.9 million in the current quarter, a 2.6% year-on-year increase. Growth was spearheaded by the Packaging (+16.4%) and Resources (+8.1%) divisions, which successfully offset a 5.1% decline in Renewable Energy revenue caused by currency translation loss. Reported revenue in the current quarter included RM6.4 million in construction revenue from the Maldives solar project, compared to RM383.2 million recorded in 4Q2024 arising mainly from Don Sahong’s 5th turbine construction project.

Normalised profit before tax (PBT) fell 13.5% to RM119.5 million (4Q2024: RM138.3 million). This was primarily due to a RM19.1 million adverse swing in forex (from a RM10.8 million gain to an RM8.3 million loss) following the sharp strengthening of the Malaysia Ringgit against the US Dollar.

Reported PBT declined lesser by 10.0% to RM131.8 million, driven by non-recurrent and other items, as listed and explained in the table above, with net gain of RM12.3 million in the current quarter, 50.4% higher than RM8.2 million net gain recorded in the same period last year. Notably, the share of loss from joint venture and associates improved by 55.3% to RM15.7 million (4Q2024: RM35.1 million), reflecting narrower loss at Edenor. The oleochemical joint venture continued to suffer from low plant utilisation at 62%, currency headwinds and stiff competition.

Normalised PATNCI declined 15.0% to RM111.6 million, while reported PATNCI fell 16.4% to RM118.5 million (4Q2024: RM141.7 million).

Renewable Energy Division

Operational efficiency improved in the current quarter with an Equivalent Availability Factor (EAF) of 89.0%, compared to 85.7% in the same period last year. Normalised revenue dipped 5.1% to RM162.6 million. While hydro generation rose 3.9% to 639 GWh and solar revenue grew 18.6% to RM2.8 million, these gains were offset by a 5.7% currency translation loss and a 3.6% lower weighted average hydro tariff at 6 US cents under the new Supplemental Power Purchase Agreement (SPPA)/Supplemental Concession Agreement (SCA) terms.

Despite lower revenue, normalised PBT rose 2.0% to RM125.6 million, supported by lower amortisation from extended concessions, decreased turbine overhaul expenses and reduction in net royalties post-water rights acquisition pursuant to the SCA.

B1. Performance review - 4Q2025 vs 4Q2024 (Cont'd)

Resources Division

Revenue grew 8.1% to RM46.4 million, propelled by 17.9% higher lime product sales volumes which mitigated weaker export currency values. This volume growth was partially boosted by a low base effect from 4Q2024 sales cut off adjustments. Non-lime products fell 30.9% to RM3.0 million.

PBT dropped 22.0% to RM5.2 million due to margin compression from higher freight charges, decrease in production volume, and a stronger Malaysia Ringgit.

Packaging Division

Despite industry-wide overcapacity, stiff price competition and weaker export currency values, the division expanded its footprint through aggressive marketing following its recent capacity expansion. PBT rose 27.3% to RM5.1 million, driven by an improved sales mix and higher plant utilisation.

B2. Performance review - Year-to-date 31 December 2025 (“FY2025”) versus (“vs”) the corresponding Year-to-date 31 December 2024 (“FY2024”)

	2025 RM'000	2024 RM'000	Changes RM'000	%
A <u>Overview Of Financial Results</u>				
Revenue	1,419,626	1,741,879	(322,253)	-18.5%
Other income	52,790	101,107	(48,317)	-47.8%
Other expenses	(44,856)	(39,426)	(5,430)	13.8%
Earning before interest, tax, depreciation and amortisation (“EBITDA”) *	671,513	725,752	(54,239)	-7.5%
Operating profit	549,036	637,744	(88,708)	-13.9%
Profit before tax	425,285	509,319	(84,034)	-16.5%
Profit after tax	404,690	491,018	(86,328)	-17.6%
Profit after tax attributable to owners of the Company	386,973	459,178	(72,205)	-15.7%
B <u>Revenue</u>				
Renewable Energy	619,525	649,002	(29,477)	-4.5%
Resources	198,042	223,621	(25,579)	-11.4%
Packaging	432,484	399,167	33,317	8.3%
Investment Holding & Others ^	130,142	86,841	43,301	49.9%
Normalised Revenue	1,380,193	1,358,631	21,562	1.6%
Construction Revenue on Service Concession Arrangements	39,433	383,248	(343,815)	-89.7%
Reported Revenue	1,419,626	1,741,879	(322,253)	-18.5%
* EBITDA excludes share of profit/(loss) in equity accounted investments and insurance claims income				
^ Inclusive of;				
Loss on foreign exchange	(17,229)	(4,134)	(13,095)	316.8%

B2. Performance review - FY2025 vs FY2024 (Cont’d)

	2025	2024	Changes	
	RM'000	RM'000	RM'000	%
C Profit Before Tax				
Renewable Energy	464,520	452,751	11,769	2.6%
Resources	28,756	47,322	(18,566)	-39.2%
Packaging	21,316	29,282	(7,966)	-27.2%
Investment Holding & Others	(45,161)	(26,563)	(18,598)	70.0%
Normalised Profit Before Tax	469,431	502,792	(33,361)	-6.6%
Non-recurring items				
Insurance income for assets damaged by fire in 2023	-	31,826	(31,826)	-100.0%
Construction profit on service concession arrangements	5,017	36,639	(31,622)	-86.3%
Over-accrual of construction costs for 5th turbine	20,102	-	20,102	N.A
Writeback of expected credit loss on amount owing by EDL from conversion of trade balance into long term receivable	-	10,759	(10,759)	-100.0%
Other items				
Share of loss in joint ventures and associates	(74,252)	(66,242)	(8,010)	12.1%
Fair value gain on put option liability	4,454	1,539	2,915	189.4%
Fair value gain/(loss) on investment properties	533	(7,994)	8,527	-106.7%
	(44,146)	6,527	(50,673)	-776.4%
Reported Profit Before Tax	425,285	509,319	(84,034)	-16.5%
D PATNCI				
Renewable Energy	447,409	434,325	13,084	3.0%
Resources	21,813	36,904	(15,091)	-40.9%
Packaging	10,539	15,798	(5,259)	-33.3%
Investment Holding & Others	(42,606)	(22,398)	(20,208)	90.2%
Normalised PATNCI	437,155	464,629	(27,474)	-5.9%
Non-recurring items				
Insurance income for assets damaged by fire in 2023	-	17,672	(17,672)	-100.0%
Construction profit on service concession arrangements	4,265	30,190	(25,925)	-85.9%
Reversal of deferred tax liability from extension of concession term, under SCA	-	6,573	(6,573)	-100.0%
Over-accrual of construction costs for 5th turbine	15,048	-	15,048	N.A
Writeback of expected credit loss on amount owing by EDL from conversion of trade balance into long term receivable	-	10,221	(10,221)	-100.0%
Other items				
Share of loss in joint ventures and associates	(74,252)	(66,242)	(8,010)	12.1%
Fair value gain on put option liability	4,454	1,539	2,915	189.4%
Fair value gain/(loss) on investment properties	303	(5,404)	5,707	-105.6%
	(50,182)	(5,451)	(44,731)	820.6%
Reported PATNCI	386,973	459,178	(72,205)	-15.7%

B2. Performance review – FY2025 vs FY2024 (Cont’d)

The Group's normalised revenue rose 1.6% year-on-year to RM1,380.2 million (FY2024: RM1,358.6 million), driven by full-year consolidation of CSC Group results (vs. 7 months in FY2024) and an 8.3% increase in Packaging revenue. This offset declines in Renewable Energy (-4.5%) and Resources (-11.4%) revenue. Reported revenue, however, fell 18.5% to RM1,419.6 million (FY2024: RM1,741.9 million), mainly due to lower construction revenue on service concession arrangements, which dropped from RM383.2 million to RM39.4 million after completing Don Sahong 5th turbine in 2024.

Normalised PBT declined 6.6% to RM469.4 million (FY2024: RM502.8 million), reflecting weaker contributions from Resources and Packaging, which more than offset a 2.6% rise in Renewable Energy normalised PBT. Forex losses also widened to RM17.2 million (FY2024: RM4.1 million) in Investment Holding & Others. Reported PBT fell more sharply by 16.5% to RM425.3 million (FY2024: RM509.3 million), due to non-recurring and other items swinging from a RM6.5 million profit to a RM44.1 million loss, resulting from a RM31.6 million drop in construction profits, absence of RM31.8 million insurance claim income, RM8.0 million higher share of losses in joint venture/associates, and absence of RM10.8 million expected credit loss write-back, partially offset by a RM20.1 million write-back of over-accrued 5th turbine construction costs.

Higher joint venture/associates' losses stemmed from Edenor's capacity disruptions due to repairs, maintenance, upgrades, and zero/restricted gas supply (exceeding 3 months, from the Putra Heights pipeline explosion). Broader headwinds included industry overcapacity, subdued demand, and Indonesia's unfavorable crude palm oil (CPO) export policies.

Normalised PATNCI fell 5.9% to RM437.2 million (FY2024: RM464.6 million), while reported PATNCI declined 15.7% to RM387.0 million (FY2024: RM459.2 million).

B2. Performance review – FY2025 vs FY2024 (Cont’d)

Renewable Energy Division

Normalised revenue dipped 4.5% to RM619.5 million, hit by a 6.4% currency translation loss and 3.6% lower weighted average hydro tariff under the new SPPA/SCA effective January 1, 2025. These offset a 5.5% rise in hydro energy volume to 2,366 GWh, aided by full-year 5th turbine operations. EAF edged down to 83.1% (FY2024: 86.8%), diluted by the fifth turbine. Solar income grew 13.3% to RM11.5 million from ongoing additions of new solar plants, reaching cumulative installed capacity of 33.5 MWp.

Normalised PBT still rose 2.6% to RM464.5 million, supported by reduced net royalties (post-water rights acquisition), lower amortisation (from concession extensions), and lower turbine overhaul costs.

Resources Division

Revenue fell 11.4% to RM198.0 million amid rising regional competition, a soften domestic demand and a weaker export currency (stronger MYR vs. USD). PBT plunged 39.2% to RM28.8 million, with margins squeezed by lower revenue, decrease in outputs and higher freight charges.

Packaging Division

Revenue hit a record high, up 8.3% to RM432.5 million, fueled by intensified marketing after capacity expansion. PBT dropped 27.2% to RM21.3 million, pressured by sub-optimal post-expansion utilisation, intense price competition, weak export currency values and higher inventory write-downs

B2. Performance review - FY2025 vs FY2024 (Cont’d)

(a) Assets and Liabilities as at 31 December 2025

Changes in key assets and liabilities since 31 December 2024 are explained below:

Asset/Liability Items	As At 31.12.2025 RM'000	As At 31.12.2024 RM'000	Changes RM'000	Explanation
Service concession asset	1,921,276	2,175,656	(254,380)	The decrease was due to RM198.6 million translation loss and amortisation charge of RM83.0 million, partially offset by RM27.2 million addition during the year.
Property, plant and equipment (“PPE”)	980,111	852,473	127,638	The increase was primarily due to RM191.5 million CAPEX, comprising mainly: a) RM121.8 million for Renewable Energy Division; b) RM33.2 million for Packaging Division; c) RM26.8 million for agricultural development; and d) RM5.2 million for medical center project. partly offset by RM48.4 million depreciation charges and translation loss of RM12.5 million for the year.
Water rights	294,006	337,515	(43,509)	The decrease was due to RM30.6 million translation loss and amortisation charge of RM12.9 million for the year.
Receivable and other asset (non-current)	191,597	246,445	(54,848)	The decrease was mainly due to repayment of outstanding debt owing by Électricité du Laos (EDL) and translation loss.
Investment properties	185,530	184,997	533	The increase was due to gain on change in fair value during the year.

B2. Performance review - FY2025 vs FY2024 (Cont'd)

(a) Assets and Liabilities as at 31 December 2025 (Cont'd)

Changes in key assets and liabilities since 31 December 2024 are explained below (Cont'd):

Asset/Liability Items	As At 31.12.2025 RM'000	As At 31.12.2024 RM'000	Changes RM'000	Explanation
Right-Of-Use (“ROU”) assets	113,413	117,549	(4,136)	The decrease mainly due to amortisation charges for the year.
Joint ventures and associates	184,866	173,432	11,434	The increase was mainly due to RM87.4 million investment in joint venture and associates, partially offset by RM74.3 million share of loss in the current year.
Investment in quoted shares	50,118	87,351	(37,233)	The decrease was mainly due to fair value loss of marketable securities.
Inventories and biological assets (current)	168,574	186,197	(17,623)	The decrease was largely due to lower inventory held by the manufacturing subsidiaries.
Receivables and other assets (current)	303,104	391,774	(88,670)	The decrease was mainly due to improved collection from EDL and lower prepayment of solar development costs.
Deferred tax liabilities	129,671	133,853	(4,182)	The decrease was mainly due to translation loss during the year.
Payables and accruals (current)	162,773	212,995	(50,222)	The decrease was primarily attributed to partial settlement and reversal of liabilities provided for Don Sahong fifth turbine construction costs, and also payments related to turbines overhaul, operation and maintenance.

B2. Performance review - FY2025 vs FY2024 (Cont'd)

(b) Group borrowings and debt securities

The table below sets out the salient information on the Group’s bank borrowings:

	Long-term		Short-term		Total	
	Foreign Currency (’000)	RM (’000)	Foreign Currency (’000)	RM (’000)	Foreign Currency (’000)	RM (’000)
As at 31 December 2025						
Secured						
Trade financing and loans	-	-	-	88,431	-	88,431
Term loans	-	337,403	-	68,661	-	406,064
Term loan (USD) ^	-	-	18,333	74,452	18,333	74,452
Revolving credit	-	-	-	109,500	-	109,500
Bank overdrafts	-	-	-	1,057	-	1,057
		<u>337,403</u>		<u>342,101</u>		<u>679,504</u>
Unsecured Loan						
Term loan	-	37,308	-	5,161	-	42,469
Term loan (USD) ^	-	-	40,000	162,440	40,000	162,440
Revolving credit	-	-	-	146,400	-	146,400
		<u>37,308</u>		<u>314,001</u>		<u>351,309</u>
Total Borrowings		<u>374,711</u>		<u>656,102</u>		<u>1,030,813</u>
As at 31 December 2024						
Secured						
Trade financing and loans	-	-	-	50,926	-	50,926
Term loans	-	294,406	-	36,136	-	330,542
Term loan (USD) *	18,333	82,051	18,333	82,051	36,666	164,102
Revolving credit	-	-	-	156,883	-	156,883
		<u>376,457</u>		<u>325,996</u>		<u>702,453</u>
Unsecured Loan						
Term loan	-	20,202	-	-	-	20,202
Term loan (USD) *	30,000	134,265	40,000	179,020	70,000	313,285
Revolving credit	-	-	-	110,500	-	110,500
		<u>154,467</u>		<u>289,520</u>		<u>443,987</u>
Total Borrowings		<u>530,924</u>		<u>615,516</u>		<u>1,146,440</u>

^ - translated at exchange rate of 4.06 as at 31 December 2025

* - translated at exchange rate of 4.48 as at 31 December 2024

As at 31 December 2025, total borrowings (excluding hire purchase liabilities) declined by RM115.6 million, falling from RM1,146.4 million at year end 2024 to RM1,030.8 million, attributed to RM92.5 million in net repayment of loans and translation gain of RM23.1 million.

Borrowings predominantly floating rate, and none of the foreign currency borrowings are hedged. No debt securities were issued as of the reporting date.

B2. Performance review - FY2025 vs FY2024 (Cont'd)

(c) Cash flow analysis for the financial year ended 31 December 2025

In 2025, the Group generated a strong post-tax operating cash flow of RM763.1 million which represents a jump of 59.2% from net operating cash inflow of RM479.4 million recorded a year ago, mainly due to prompt trade collections from EDL. Together with RM33.8 million in non-business income, this brought down the Group’s net debt from RM878.1 million at end of 2024 to RM564.7 million, after defraying RM231.3 million in capex (largely on development of 64.6 MWp new solar capacities), RM87.4 million in investments in joint venture/associates alongside RM115.8 million dividends distribution, and financial costs of RM51.0 million paid.

Accordingly, the Group’s net gearing position has improved from 24.8% to 15.9% in the past 12 months.

B3. Variation of Current Quarter (“4Q2025”) versus (“vs”) Preceding Quarter (“3Q2025”)

	4Q2025	3Q2025	Changes	
	RM'000	RM'000	RM'000	%
A Overview Of Financial Results				
Revenue	356,313	383,619	(27,306)	-7.1%
Other income	24,714	11,904	12,810	107.6%
Other expenses	(22,956)	(3,519)	(19,437)	552.3%
Earning before interest, tax, depreciation and amortisation ("EBITDA") *	191,190	186,866	4,324	2.3%
Operating profit	159,598	156,781	2,817	1.8%
Profit before tax	131,839	131,373	466	0.4%
Profit after tax	124,918	126,383	(1,465)	-1.2%
Profit after tax attributable to owners of the Company	118,499	120,917	(2,418)	-2.0%
B Revenue				
Renewable Energy	162,553	174,635	(12,082)	-6.9%
Resources	46,361	47,485	(1,124)	-2.4%
Packaging	109,311	117,214	(7,903)	-6.7%
Investment Holding & Others ^	31,673	34,393	(2,720)	-7.9%
Normalised Revenue	349,898	373,727	(23,829)	-6.4%
Construction Revenue on Service Concession Arrangements	6,415	9,892	(3,477)	-35.1%
Reported Revenue	356,313	383,619	(27,306)	-7.1%
* EBITDA excludes share of profit/(loss) in equity accounted investments and insurance claims income				
^ Inclusive of;				
(Loss)/Gain on foreign exchange	(8,341)	604	(8,945)	N.M.

B3. Variation of 4Q2025 vs 3Q2025 (Cont’d)

	4Q2025	3Q2025	Changes	
	RM'000	RM'000	RM'000	%
C Profit Before Tax				
Renewable Energy	125,621	137,254	(11,633)	-8.5%
Resources	5,162	5,581	(419)	-7.5%
Packaging	5,148	8,230	(3,082)	-37.4%
Investment Holding & Others	(16,385)	(6,587)	(9,798)	148.7%
Normalised Profit Before Tax	119,546	144,478	(24,932)	-17.3%
Non-recurring items				
Construction profit on service concession arrangements	823	1,251	(428)	-34.2%
Over-accrual of construction costs for 5th turbine	20,102	-	20,102	N.A
Other items				
Share of loss in joint ventures and associates	(15,707)	(13,660)	(2,047)	15.0%
Fair value gain/(loss) on put option liability	6,542	(696)	7,238	-1039.9%
Fair value gain on investment properties	533	-	533	N.A
	12,293	(13,105)	25,398	-193.8%
Reported Profit Before Tax	131,839	131,373	466	0.4%
D PATNCI				
Renewable Energy	120,632	132,766	(12,134)	-9.1%
Resources	4,860	3,563	1,297	36.4%
Packaging	1,866	4,111	(2,245)	-54.6%
Investment Holding & Others	(15,745)	(6,230)	(9,515)	152.7%
Normalised PATNCI	111,613	134,210	(22,597)	-16.8%
Non-recurring items				
Construction profit on service concession arrangements	700	1,063	(363)	-34.2%
Over-accrual of construction costs for 5th turbine	15,048	-	15,048	N.A
Other items				
Share of loss in joint ventures and associates	(15,707)	(13,660)	(2,047)	15.0%
Fair value gain/(loss) on put option liability	6,542	(696)	7,238	-1039.9%
Fair value gain on investment properties	303	-	303	N.A
	6,886	(13,293)	20,179	-151.8%
Reported PATNCI	118,499	120,917	(2,418)	-2.0%

Normalised revenue declined 6.4% quarter-on-quarter to RM349.9 million, while reported revenue fell 7.1% to RM356.3 million. Key factors driving the revenue drop were Renewable Energy (-6.9%) and Packaging (-6.7%).

Normalised PBT fell 17.3% to RM119.5 million, with all divisions recording lower sequential earnings. Renewable Energy PBT dropped 8.5% to RM125.6 million, mainly from seasonally lower hydro energy generation during the wet-to-dry transition and a turbine overhaul since early December. Packaging PBT declined from RM8.2 million to RM5.1 million due to lower revenue and margin erosion from unfavourable sales mix change and reduced plant utilisation. Investment holding and other division recorded higher losses mainly due to RM8.3 million forex loss, compared to a RM0.6 million gain in the preceding quarter.

B3. Variation of 4Q2025 vs 3Q2025 (Cont’d)

Reported PBT however rose marginally by 0.4% to RM131.8 million, boosted by a RM25.4 million swing in non-recurring items (from RM13.1 million loss to RM12.3 million gain). Key gains included RM20.1 million write-back of excess 5th turbine construction cost accruals and RM6.5 million put option liability gain (3Q2025: RM0.7 million loss), which more than offset higher share of Joint Venture and associates’ losses (RM15.7 million vs RM13.7 million).

Normalised PATNCI decreased 16.8% to RM111.6 million. Reported PATNCI edged down 2.0% to RM118.5 million.

Renewable Energy Division

Normalised revenue fell 6.9% to RM162.6 million, driven by 5.1% lower hydro energy generation and a 1.7% currency translation loss from the strengthening Malaysian Ringgit against the USD. Power generation declined due to the seasonal transition from wet to dry season and the shutdown of one turbine in early December for scheduled overhaul. The EAF correspondingly dropped from 93.8% in 3Q2025 to 89.0% in 4Q2025, with normalised PBT declining 8.5% to RM125.6 million on reduced hydro energy generation volume.

Resources Division

Revenue declined 2.4% to RM46.4 million, primarily due to lower sales volume of non-lime products. Lime products sales revenue fell marginally by 0.8% to RM43.4 million, with average selling prices holding steady. PBT fell 7.5% to RM5.2 million, reflecting lower revenue and a slight increase in unit production costs.

Packaging Division

Packaging Division revenue declined 6.7% quarter-on-quarter to RM109.3 million (3Q2025: RM117.2 million), due to slower sales of flexible plastic packaging and paper bags, partly reflecting a high base from 3Q2025's record performance. 4Q2025 sales are more comparable to 1H2025's average level, where 6.1% increase is observed.

PBT fell 37.4% quarter-on-quarter to RM5.1 million, impacted by lower revenue, reduced plant utilisation, and an unfavourable sales mix. 4Q2025 PBT remains robust and stayed beyond the 1H2025 quarterly average by 29.7%.

B4. Prospects

The macroeconomic landscape is expected to remain dynamic, shaped by changing policies, wavering consumer sentiment, and on-going geopolitical tensions that continue to hinder global trade and economic momentum. An appreciating Ringgit is expected to negatively affect the Group’s manufacturing exports and USD-based renewable energy income, while domestic costs are likely to stay elevated. Management will continue to monitor closely and respond swiftly to volatility and mounting cost pressures.

Earnings from the Renewable Energy Division, measured in US Dollars, are set to demonstrate resilience throughout 2026. Meanwhile, the Resources Division has to contend with continued fierce competition from regional players, especially from China, and local rivals. The Packaging Division plans to grow its customer portfolio and enhance plant efficiency, navigating persistently challenging market conditions.

Edenor’s oleochemical plant operations have been stabilised. However, results will likely continue to face headwinds from Indonesia’s palm oil export policies and biodiesel mandates, which provide undue cost advantages to Indonesian producers, alongside industry overcapacity sparking intense price competition. Edenor’s management fully grasps the challenges and is actively pursuing diverse remedies to staunch the losses.

In 2026, management’s focus will be on preserving cash reserves, further nurturing and bolstering the renewable energy operations, and rationalising non-core business activities.

Renewable Energy Division

Even with plans to overhaul two turbines in 2026 (versus one in 2025) which will likely cause a mild dip in hydro energy generation, we expect normalised revenue of the division in US Dollar terms to grow year-on-year, bolstered by two large-scale solar plants totalling 62.4 MWp slated for commissioning by early 2nd quarter of 2026, along with a slight hydro tariff hike from 6 cents to 6.05 cents effective January 1, 2026. The new additional solar capacities will elevate the Group’s total installed renewable energy capacity from the current 358.5 MWp to 422.2 MWp, with hydro accounting for 77% and solar 23% of the expanded capacity.

Overall, the Division’s pre-tax US Dollar earnings are projected to remain broadly stable year-on-year. This reflects ongoing solar profit expansion from new capacity installations, tempered by higher overhaul expenses for the additional turbine compared to 2025. In Malaysian Ringgit terms, however, revenue and pre-tax profits may face headwinds if USD continue to depreciate against the MYR.

2026 also marks the end of Don Sahong’s tax-free period. Hydropower profits will incur a 5% corporate tax starting 1 January 2026, as per the Supplemental Concession Agreement.

The Group remains proactive in pursuing new opportunities in Malaysia via the Corporate Renewable Energy Supply Scheme (CRESS) and Battery Energy Storage Scheme (BESS), and renewable projects in the region.

B4. Prospects (Cont’d)

Resources Division

In the Resources Division, the operating environment continues to pose significant challenges, driven by subdued activity, a weaker dollar, rising domestic operating costs and unrelenting price competition from regional suppliers, notably Chinese firms and local operators positioned near key overseas customers. To navigate this, management will steadfastly focus on enhancing production cost efficiencies and broadening the customer network, ensuring a satisfactory earnings outcome.

Packaging Division

Though the outlook for the Packaging Division stays intensely competitive and tough, sales growth is projected for 2026 through sustained pushes to attract new customers and deepen ties with current ones, rather than a widespread market rebound. The team will keep emphasising customer diversification, plant utilisation optimisation, and operational streamlining, even as margins face ongoing pressure from higher production costs and weak export currency. In all, we expect satisfactory earnings in 2026.

B5. Profit forecast

The Group did not issue any profit forecast or profit guarantee.

B6. Income tax expense

	4th Quarter Ended 31 December		Financial Year Ended 31 December	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Tax expense:				
- current period/year	7,490	5,505	20,775	21,288
- underprovision in previous years	(569)	(5,623)	(180)	(2,987)
	<u>6,921</u>	<u>(118)</u>	<u>20,595</u>	<u>18,301</u>

The Group’s effective tax rate for the current quarter and financial year ended 31 December 2025 was significantly lower than the Malaysia’s statutory tax rate of 24% mainly because the profit derived from energy sales in the Lao People’s Democratic Republic (“Lao PDR”) is exempted from income tax.

B7. Status of corporate proposal

There was no corporate proposal announced but not completed at 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B8. Material litigations

The Group has no material litigation as at 19 February 2026, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B9. Dividends

- (a) A final single-tier dividend of 4.50 sen per ordinary share for the financial year ended 31 December 2024 was declared on 26 February 2025 and paid to entitled shareholders on 18 April 2025.
- (b) An interim single-tier dividend of 4.75 sen per ordinary share for the financial year ended 31 December 2025 was declared on 21 August 2025 and paid to entitled shareholders on 17 October 2025.
- (c) The Board declared a second and final dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2025. The dividend has not been included as a liability in these financial statements. The entitlement and payment dates will be announced later.
- (d) Total dividend declared to-date for the current financial year is 9.75 sen (2024: 9.0 sen) per ordinary share.

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B10. Disclosure for consolidated statement of profit or loss and other comprehensive income

	4th Quarter Ended 31 December		Financial Year Ended 31 December	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Statement of Profit or Loss				
After crediting:				
Dividend income	324	1,002	1,561	2,091
Fair value gain on:				
- investment properties	533	-	533	-
- put option liability	6,542	4,187	4,454	1,539
- biological asset	34	-	34	-
Gain on disposal property, plant and equipment	-	15	180	494
Gain on foreign exchange:				
- realised	-	2,754	-	-
- unrealised	-	8,028	-	-
Interest income	6,757	6,368	27,354	24,190
Write-back of:				
- impairment loss on receivables	2,506	10,759	2,816	10,962
- impairment loss on property, plant and equipment	657	-	657	-
Insurance claims income	-	(289)	-	31,826
Gain on deconsolidation of subsidiaries	-	-	-	99
After charging:				
Amortisation of:				
- service concession asset	(20,112)	(21,363)	(82,971)	(88,921)
- other intangible asset	(86)	(122)	(342)	(491)
- water rights	(3,133)	-	(12,922)	-
Fair value loss on investment properties	-	(7,994)	-	(7,994)
Depreciation of:				
- property, plant and equipment	(13,170)	(15,639)	(48,746)	(49,874)
- right-of-use assets	(1,848)	(1,786)	(4,850)	(4,738)
Finance costs	(12,052)	(14,919)	(49,499)	(62,183)
Impairment losses on:				
- receivables	-	(656)	(132)	(21,549)
Inventories written down	(2,306)	10	(2,325)	(14)
Loss on foreign exchange:				
- realised	(1,699)	-	(5,428)	(2,098)
- unrealised	(6,642)	-	(11,801)	(2,036)
Loss on disposal property, plant and equipment	(9)	-	-	-
Plant and equipment written off	(2,162)	2	(2,188)	(2)
Statement of Other Comprehensive (Expenses)/Income:				
Foreign currency translation difference for foreign operations				
- changes in current period/year	(94,247)	189,619	(249,214)	(70,850)
Fair value changes of equity investments	(16,464)	(2,232)	(37,159)	(43,161)

Except for those disclosed above, there were no gain or loss on disposal of quoted or unquoted investments.

B11. Earnings per share

	4th Quarter Ended		Financial Year Ended	
	31 December		31 December	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit after tax attributable to owners of the Company	118,499	141,715	386,973	459,178
Weighted average number of ordinary shares ('000):				
Issued ordinary shares outstanding at beginning of the period/year	988,352	988,352	988,352	988,352
Effect of treasury shares held	(46,060)	(45,793)	(45,941)	(45,663)
	942,292	942,559	942,411	942,689
Basic earnings per share (sen)	12.58	15.04	41.06	48.71

The basic earnings per share is calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and financial year ended 31 December 2025, excluding treasury shares held by the Company.

The diluted earnings per share is equal to the basic earnings per share as there are no outstanding potentially dilutive equity instruments issued by the Company as at 31 December 2025.

B12. Authorised for issue

These interim financial statements were authorised for issue by the Board of Directors on 26 February 2026.