



WIDAD GROUP BERHAD
Registration No.: 200901014295 (857363-U)

**INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 1 JANUARY 2025 TO 31 MARCH 2025**

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WIDAD GROUP BERHAD

Registration No.: 200901014295 (857363-U)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | <u>QUARTER ENDED</u> | | <u>YEAR-TO-DATE</u> | |
|--|----------------------|-------------------|---------------------|-------------------|
| | <u>31.03.2025</u> | <u>31.03.2024</u> | <u>31.03.2025</u> | <u>31.03.2024</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Revenue | 62,063 | 29,739 | 62,063 | 29,739 |
| Cost of sales | (55,550) | (25,593) | (55,550) | (25,593) |
| Gross profit | 6,513 | 4,146 | 6,513 | 4,146 |
| Other income | 385 | 177 | 385 | 177 |
| Administrative expenses | (6,381) | (8,113) | (6,381) | (8,113) |
| Operating profit/(loss) | 517 | (3,790) | 517 | (3,790) |
| Finance income | 6,857 | 7,111 | 6,857 | 7,111 |
| Finance costs | (5,105) | (5,996) | (5,105) | (5,996) |
| Profit/(Loss) before tax | 2,268 | (2,675) | 2,268 | (2,675) |
| Tax expense | (1,050) | (1,634) | (1,050) | (1,634) |
| Profit/(Loss) after tax for the period | 1,218 | (4,309) | 1,218 | (4,309) |
| Profit/(Loss) for the period attributable to: | | | | |
| - Owners of the Company | 1,219 | (4,308) | 1,219 | (4,308) |
| - Non-controlling interest | (1) | (1) | (1) | (1) |
| | 1,218 | (4,309) | 1,218 | (4,309) |
| Earnings per share (sen) | | | | |
| - Basic | 0.04 | (0.14) | 0.04 | (0.14) |

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Registration No.: 200901014295 (857363-U)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | 31.03.2025 | Audited 31.12.2024 |
|---|-------------------|-------------------------------------|
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 8,840 | 9,337 |
| Right-of-use assets | 611 | 699 |
| Goodwill on consolidation | 8,741 | 8,741 |
| Contract assets | 403,331 | 410,992 |
| Fixed deposits with licensed banks | 12,590 | 13,757 |
| Deferred tax assets | 8,800 | 8,862 |
| Total non-current assets | 442,913 | 452,388 |
| Current assets | | |
| Contract assets | 297,558 | 286,204 |
| Trade receivables | 114,888 | 126,110 |
| Other receivables | 14,691 | 2,829 |
| Tax Recoverable | 1,058 | 517 |
| Fixed deposits with licensed banks | - | 70 |
| Cash and bank balances | 111,049 | 131,730 |
| | 539,244 | 547,460 |
| Asset held for sale | 38,800 | 38,800 |
| Total current assets | 578,044 | 586,260 |
| TOTAL ASSETS | 1,020,957 | 1,038,648 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Equity attributable to owners of the Company | | |
| Share capital | 303,644 | 303,644 |
| Retained earnings | 129,595 | 128,377 |
| | 433,238 | 432,021 |
| Non-controlling interest | (8) | (8) |
| Total equity | 433,230 | 432,013 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | 297,395 | 328,622 |
| Lease liabilities | 642 | 510 |
| Deferred tax liabilities | 61,388 | 61,388 |
| Total non-current liabilities | 359,425 | 390,520 |
| Current liabilities | | |
| Contract liabilities | 33,664 | 41,055 |
| Trade payables | 67,386 | 54,943 |
| Other payables | 16,664 | 15,808 |
| Borrowings | 99,860 | 94,009 |
| Lease liabilities | 17 | 191 |
| Tax payable | 10,711 | 10,108 |
| Total current liabilities | 228,302 | 216,115 |
| Total liabilities | 587,727 | 606,635 |
| Total Equity and Liabilities | 1,020,957 | 1,038,648 |
| Net Tangible Assets per share (RM) | 0.14 | 0.15 |

The Unaudited Condensed Consolidated 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 explanatory notes attached to these interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share Capital | Distributable Retained Earnings | Attributable to Owners of the Company | Non- controlling Interest | Total | Equity |
|--|--------------------------|--|--|--|---------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| As at 1 January 2025 | 303,644 | 128,377 | 432,021 | (8) | | 432,013 |
| Profit/(Loss) for the financial period | - | 1,218 | 1,218 | (1) | | 1,217 |
| Balance as at 31 March 2025 | 303,644 | 129,594 | 433,239 | (9) | | 433,230 |

The Unaudited Condensed Consolidated 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 explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

| | Unaudited 31.03.2025 RM'000 | Audited 31.12.2024 RM'000 |
|---|--|--|
| OPERATING ACTIVITIES | | |
| Profit / (Loss) before tax | 2,268 | (18,670) |
| Adjustments for; | | |
| Depreciation of property, plant and equipment | 497 | 2,463 |
| Depreciation of right-of-use assets | 87 | 1,189 |
| Impairment loss on receivables | - | 5,768 |
| Interest expenses | 8,476 | 24,430 |
| Interest income | (454) | (2,172) |
| Gain on disposal of property, plant and equipment | - | (30) |
| Interest income arising from concession contract | (6,421) | (25,616) |
| Loss on remeasurement of assets classified as held for sale | - | 3,973 |
| Opeating profit before working capital changes | <u>4,453</u> | <u>(8,665)</u> |
| Changes in working capital; | | |
| Contract balances | (5,662) | 84,955 |
| Receivables | 4,571 | (36,468) |
| Payables | <u>15,299</u> | <u>11,597</u> |
| Cash generated form operations | 18,661 | 51,419 |
| Interest income received | 393 | 1,780 |
| Tax paid | (1,413) | (10,979) |
| Interest costs paid | <u>(298)</u> | <u>(298)</u> |
| Net cash flows from operating activities | <u>17,343</u> | <u>41,922</u> |
| INVESTING ACTIVITIES | | |
| Interest received | 61 | 392 |
| Placement of maintenance reserve fund | (847) | (2,022) |
| Placement of Designated Accounts | 23,727 | 2,521 |
| Purchase of property, plant and equipment | - | (47) |
| Purchase of right-of-use assets | - | (39) |
| Proceeds from disposal of property, plant and equipment | - | 30 |
| Withdrawal/(Placement) of fixed deposits (pledged) | <u>1,166</u> | <u>(1,386)</u> |
| Net cash flows from investing activities | <u>24,106</u> | <u>(551)</u> |

The Unaudited Condensed Consolidated 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 explanatory notes attached to these interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

| | Unaudited 31.03.2025 | Audited 31.12.2024 |
|---|---------------------------------------|-------------------------------------|
| | RM'000 | RM'000 |
| FINANCING ACTIVITIES | | |
| Finance cost paid | (1,528) | (23,273) |
| Advance from holding company | - | (114) |
| Repayment of borrowings | (29,399) | (34,443) |
| Repayment of lease liabilities | (43) | (411) |
| Interest paid for Sukuk Wakalah | (6,288) | - |
| Net cash flow from financing activities | <u>(37,258)</u> | <u>(58,240)</u> |
| CASH AND CASH EQUIVALENTS | | |
| Net changes | 4,192 | (16,870) |
| As per audited account brought forward | (2,511) | 14,360 |
| Carried forward | <u>1,681</u> | <u>(2,511)</u> |
| Cash and cash equivalent comprise of:- | | |
| Cash and bank balances | 111,049 | 131,730 |
| Fixed deposit with licensed bank | 12,590 | 13,827 |
| Bank overdraft | (3,180) | (4,579) |
| | 120,459 | 140,978 |
| Less: | | |
| Designated Bank Account | (75,494) | (99,221) |
| Fixed deposit with licensed bank | (12,590) | (13,756) |
| Maintenance Reserve Fund | (30,694) | (30,511) |
| | <u>1,681</u> | <u>(2,511)</u> |

The Unaudited Condensed Consolidated 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 explanatory notes attached to these interim financial statements.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 BASIS OF PREPARATION

These interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 ("FYE 2024") and the accompanying explanatory notes attached to the interim financial statements.

The accompanying explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position, performance and cash flow of the Group since FYE 2024.

A2 SIGNIFICANT ACCOUNTING POLICIES

A2.1 Adoption of Amendments / Improvements to MFRS

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the FYE 2024.

The following is amended standard that is effective for the financial period beginning on or after 1 January 2025.

| | |
|------------------------|--|
| Amendments to MFRS 121 | The effects of changes in foreign exchange rates – lack of exchangeability |
|------------------------|--|

The initial application of the above amendments to standard is not expected to have material financial impact to the financial statements of the Group.

A3 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the FYE 2024 was not subject to any qualification.

A4 SEASONAL OR CYCLICAL FACTORS

The business operations of the Group during the financial period under review have not been materially affected by any significant seasonal or cyclical factors.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A5 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the current quarter under review.

A6 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates in the current quarter and period under review.

A7 DEBTS AND EQUITY SECURITIES

On 25 March 2025, the Group paid the third Sukuk Wakalah annual principal payment amounting RM25 million.

Other than the above, there is no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the period under review.

A8 DIVIDEND

There were no dividends declared or paid in the current quarter and period under review.

A9 SEGMENTAL REPORTING

Primary reporting basis by business segments:

| <u>Current Quarter</u> | <u>Current Quarter</u> | | | <u>Year-to-date</u> | | |
|-------------------------|------------------------|----------------------------|---------------|---------------------|----------------------------|---------------|
| | <u>Construction</u> | <u>Facility Management</u> | <u>Total</u> | <u>Construction</u> | <u>Facility Management</u> | <u>Total</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Revenue | 54,122 | 7,941 | 62,063 | 54,122 | 7,941 | 62,063 |
| Segment results; | | | | | | |
| Finance income # | - | - | 6,857 | - | - | 6,857 |
| Finance costs | - | - | (5,105) | - | - | (5,105) |
| Depreciation | - | - | (670) | - | - | (670) |
| Taxation | - | - | (1,050) | - | - | (1,050) |
| Profit after tax | - | - | 1,218 | - | - | 1,218 |

Includes lease rental under concession business

A10 CARRYING AMOUNT OF REVALUED ASSET

The Group does not perform any valuation of property, plant and equipment during the quarter and financial year-to-date.



A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

The Group had entered into a Sale and Purchase Agreement on 28 April 2025 with a purchaser to dispose of a leasehold land and building for total consideration of RM41,500,000. The transaction has yet to be completed up to the date of this report.

Other than the above, there were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statement.

A12 EFFECT OF CHANGES IN THE GROUP COMPOSITION, LONG TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUED OPERATIONS

There was no change to the composition of the Group during the quarter under review.

A13 CONTINGENT LIABILITIES / ASSETS

There were no contingent liabilities / assets as at the end of the current quarter under review.

A14 CAPITAL COMMITMENT

There were no capital commitments as at the end of the current quarter under review.

A15 SIGNIFICANT RELATED PARTY TRANSACTION

There were no significant related party transactions during the financial period under review.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1 REVIEW OF PERFORMANCE****First Quarter of financial year 2025 (“1Q2025”) vs First Quarter of financial year 2024 (“1Q2024”)**

In the 1Q2025, the Group achieved a revenue of RM62.06 million, an increase of 108.69% compared to RM29.74 million in 1Q2024, attributable to higher construction works progress during the reporting period.

On the back of the revenue, the Group achieved gross profit of RM6.51 million in 1Q2025 against RM4.15 million in 1Q2024. However, gross profit margin reduced to 10.49% in 1Q2025 from 13.94% in 1Q2024 due mainly to rising cost of raw materials and labor cost.

The Group recorded profit before tax (PBT) of RM2.27 million in 1Q2025 against loss before tax of RM2.68 million in 1Q2024. Better performance in 1Q2025 was mainly attributable to higher gross profit, significant reduction in administrative expenses following cost cutting measures and lower borrowing costs as a result of reduced borrowings.

In tandem with the improvement in PBT, the Group registered profit after tax of RM1.22 million in 1Q2025 against loss after tax of RM4.31 million in 1Q2024.

First Quarter of financial year 2025 (“1Q2025”) vs preceding quarter (“4Q2024”)

The Group’s revenue in 1Q2025 of RM62.06 million was 3.28% higher than revenue in 4Q2024 amounting RM60.09 million. Construction activities continued its high momentum during the quarter under review.

However, gross profit in 1Q2025 is 7.41% lower as compared to 1Q2024 mainly due to gross profit margin reduced to 10.49% in 1Q2025 against 11.71% in 1Q2024. Lower gross profit margin was mainly due to increase in labor costs following the imposition of minimum wage in 1 February 2025.

The Group registered PBT and PAT in 1Q2025 against loss before tax and loss after tax in 4Q2024. Better results in 1Q2025 against 4Q2024 was primarily attributable to lower administrative costs, lower borrowing costs and no impairment loss on financial asset.

B2 COMMENTARY ON PROSPECTS

The construction industry is expected to continue its positive trajectory and is projected to expand by 9.4% in 2025.

On the back of the order book amounting RM1.30 billion, the Group is optimistic that its existing business operations will remain profitable for the remaining financial year 2025. The Group will continue increasing its orderbook via tenders from both public and private sector and continues improvement efforts in operational excellence and cost-cutting measures.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B3 VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

There were no profit forecast or profit guarantees released to the public.

B4 TAXATION

Malaysian income tax is calculated at the statutory rate of 24% of the estimated assessable profits for the financial year. The effective tax rate for the current year to date was higher than the statutory tax rate mainly due to expenses not deductible for tax purposes.

B5 STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED**1. PROPOSED PRIVATE PLACEMENT**

On 3 April 2025, Bursa Securities vide its letter approved an extension of time of 6 months up to 19 September 2025 to complete the implementation of the Private Placement.

To date Widad has issued 24,700,000 at a price of RM0.0405 per Placement Shares. The Company is in the midst of securing potential investors for the implementation of the balance of 284,945,300 placement shares.

2. PROPOSED ACQUISITION OF LAND

On 11 September 2024, the Board of Directors of Widad announced that the Company has entered into a Head of Agreement (“HOA”) with Guper Bonded Warehouse Sdn. Bhd. (“GBW” or “the Vendor”) in relation to the acquisition of five (5) adjoining parcels of vacant industrial land measuring approximately 56,231 square metres in aggregate held under respective freehold individual titles (“Land”) being stipulated under Appendix I of the HOA at the purchase price to be determined later by Widad and the Vendor, upon the terms and conditions contained in the HOA and subject to the terms and conditions as may be determined in the sale purchase agreement (“SPA”).

Following the above, on behalf of the Board of Directors of the Company, Inter-Pacific Securities Sdn Bhd announce that Widad Development (Nilai) Sdn Bhd (formerly known as Widad Rail Sdn Bhd) (“WDN” or “Purchaser”), a wholly-owned subsidiary of Widad, had on 17 April 2025 entered into a conditional sale and purchase agreement (“SPA”) with GBW to acquire 4 adjoining parcels of freehold vacant industrial land measuring approximately 10.395 acres located in Bandar Nilai Utama, Daerah Seremban, Negeri Sembilan (“Subject Land”) for a total consideration of RM31.30 million (“Purchase Consideration”) to be satisfied entirely via the issuance of 993,650,794 new ordinary shares in Widad (“Widad Shares” or “Shares”) at an issue price of RM0.0315 per Share (“Consideration Shares”) (“Proposed Acquisition”).

In conjunction with the above, Widad also proposes to undertake the following proposals:

- (i) diversification of the existing business of Widad and its subsidiaries to include the business of property development (“Property Development Business”) (“Proposed Diversification”); and



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

2. PROPOSED ACQUISITION OF LAND (cont'd)

- (ii) consolidation of every 10 existing Shares into 1 Share (“Consolidated Share”) (“Proposed Share Consolidation”).

The Proposed Acquisition, Proposed Diversification and Proposed Share Consolidation shall collectively be referred to as the “**Proposals**”.

B6 GROUP BORROWINGS

| | Secured | Unsecured | Total |
|-------------------------------|----------------|------------------|------------------|
| | RM'000 | RM'000 | RM'000 |
| Term Loan | 38,667 | - | 38,667 |
| Revolving credit | 16,142 | 3,180 | 19,321 |
| Sukuk Wakalah | 339,268 | - | 339,268 |
| Bank Overdraft | | | |
| | <u>394,076</u> | <u>3,180</u> | <u>397,255</u> |
| | | | |
| Total Assets | | | <u>1,020,957</u> |
| Borrowings over Total Assets; | | | 38.91% |
| | | | |
| <u>Repayable:</u> | | | |
| - within one year | | | 99,860 |
| - within more than one year | | | <u>297,395</u> |
| | | | <u>397,255</u> |

B7 MATERIAL LITIGATIONS

There was no pending material litigation as at the date of this report.

B8 DIVIDENDS

There were no dividends declared or paid during the quarter under review.


B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B9 EARNINGS PER SHARE

The basic earnings per share was calculated by dividing the profit attributable to the ordinary equity holders of the Company to the weighted average number of shares issued during the period.

| | QUARTER ENDED | | YEAR-TO-DATE | |
|---|---------------|------------|--------------|------------|
| | 31.03.2025 | 31.03.2024 | 31.03.2025 | 31.03.2024 |
| Profit/(Loss) attributable to ordinary equity holders of the Company (RM'000) | 1,218 | (4,309) | 1,218 | (4,309) |
| Weighted average number of ordinary shares in issue ('000) | 3,096,453 | 3,096,453 | 3,096,453 | 3,096,453 |
| Number of ordinary shares at 1 January | - | - | - | - |
| Effect of ordinary shares issued during the financial period | - | - | - | - |
| Weighted average number of ordinary shares as at the financial period | 3,097,671 | 3,092,144 | 3,097,671 | 3,092,144 |
| Basic earnings per share (sen) | 0.04 | (0.14) | 0.04 | (0.14) |

B10 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

Profit for the current quarter and year-to-date were arrived at after crediting / (charging) the following:

| | QUARTER ENDED | | YEAR-TO-DATE | |
|----------------------|---------------|------------|--------------|------------|
| | 31.03.2025 | 31.03.2024 | 31.03.2025 | 31.03.2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Finance income | 94 | 546 | 94 | 546 |
| Finance lease income | 6,951 | 6,565 | 6,951 | 6,565 |
| Depreciation | (670) | (863) | (670) | (863) |
| Finance costs | (5,105) | (5,996) | (5,105) | (5,996) |

B11 STATUS OF UTILIZATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

| Proposed utilisation | Intended timeframe | Actual proceeds raised (RM'000) | Actual utilization RM'000 | Balance unutilized RM'000 |
|---|--------------------|---------------------------------|---------------------------|---------------------------|
| Working capital requirement | Within 12 months | 1,000 | 1,000 | 14,334 |
| Estimated expenses for the proposed private placement | Immediate | 38 | 38 | 512 |
| TOTAL | | 962 | 962 | 14,846 |