



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

**INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 1 APRIL 2025 TO 30 JUNE 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>30.06.2025</u>	<u>30.06.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	34,340	19,261	96,403	49,000
Cost of sales	(31,152)	(16,204)	(86,702)	(41,797)
Gross profit	3,188	3,057	9,701	7,203
Other income	3,516	182	3,901	359
Administrative expenses	(6,241)	(6,164)	(12,622)	(14,277)
Operating profit/(loss)	463	(2,925)	980	(6,715)
Finance income	6,044	6,868	12,901	13,979
Finance costs	(4,531)	(5,993)	(9,636)	(11,989)
Profit/(Loss) before tax	1,977	(2,050)	4,245	(4,725)
Tax expense	(1,375)	(932)	(2,425)	(2,566)
Profit/(Loss) after tax for the period	601	(2,982)	1,820	(7,291)
Profit/(Loss) for the period attributable to:				
- Owners of the Company	602	(2,982)	1,821	(7,291)
- Non-controlling interest	(1)	-	(1)	-
	601	(2,982)	1,820	(7,291)
Earnings per share (sen)				
- Basic	0.02	(0.10)	0.06	(0.24)

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.

WIDAD GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>30.06.2025</u>	<u>Audited</u> <u>31.12.2024</u>
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	8,045	9,337
Right-of-use assets	1,425	699
Goodwill on consolidation	8,741	8,741
Contract assets	395,670	410,992
Fixed deposits with licensed banks	11,800	13,757
Deferred tax assets	8,800	8,862
Total non-current assets	<u>434,481</u>	<u>452,388</u>
Current assets		
Contract assets	291,145	286,204
Trade receivables	121,124	126,110
Other receivables	42,183	2,829
Tax Recoverable	1,170	517
Fixed deposits with licensed banks	-	70
Cash and bank balances	89,827	131,730
	<u>545,449</u>	<u>547,460</u>
Asset held for sale	-	38,800
Total current assets	<u>545,449</u>	<u>586,260</u>
TOTAL ASSETS	<u>979,929</u>	<u>1,038,648</u>
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	303,644	303,644
Retained earnings	130,198	128,377
	<u>433,842</u>	<u>432,021</u>
Non-controlling interest	(9)	(8)
Total equity	<u>433,833</u>	<u>432,013</u>
LIABILITIES		
Non-current liabilities		
Borrowings	305,637	328,622
Lease liabilities	584	510
Deferred tax liabilities	61,388	61,388
Total non-current liabilities	<u>367,609</u>	<u>390,520</u>
Current liabilities		
Contract liabilities	34,037	41,055
Trade payables	62,304	54,943
Other payables	27,096	15,808
Borrowings	45,993	94,009
Lease liabilities	17	192
Tax payable	9,040	10,108
Total current liabilities	<u>178,487</u>	<u>216,115</u>
Total liabilities	<u>546,096</u>	<u>606,635</u>
Total Equity and Liabilities	<u>979,929</u>	<u>1,038,648</u>
Net Tangible Assets per share (RM)	<u>0.14</u>	<u>0.15</u>

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
As at 1 January 2025	303,644	128,377	432,021	(8)	432,013
Profit/(Loss) for the financial period	-	1,821	1,821	(1)	1,820
Balance as at 30 June 2025	303,644	130,198	433,842	(9)	433,833

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.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 30.06.2025 RM'000	Audited 31.12.2024 RM'000
OPERATING ACTIVITIES		
Profit / (Loss) before tax	4,245	(18,670)
Adjustments for;		
Depreciation of property, plant and equipment	871	2,463
Depreciation of right-of-use assets	162	1,189
Impairment loss on receivables	-	5,768
Interest expenses	14,837	24,430
Interest income	(935)	(2,172)
Gain on disposal of property, plant and equipment	(470)	(30)
Interest income arising from concession contract	(12,062)	(25,616)
Loss on remeasurement of assets classified as held for sale	-	3,973
Operating profit before working capital changes	<u>6,648</u>	<u>(8,665)</u>
Changes in working capital;		
Contract balances	15,404	84,955
Receivables	(36,367)	(36,468)
Payables	<u>18,649</u>	<u>11,597</u>
Cash generated form operations	4,333	51,419
Interest income received	814	1,780
Tax paid	(2,840)	(10,979)
Interest costs paid	<u>(271)</u>	<u>(298)</u>
Net cash flows from operating activities	<u>2,036</u>	<u>41,922</u>
INVESTING ACTIVITIES		
Interest received	121	392
Placement of maintenance reserve fund	(2,540)	(2,022)
Placement of Designated Accounts	20,127	2,521
Purchase of property, plant and equipment	-	(47)
Purchase of right-of-use assets	41,500	(39)
Proceeds from disposal of property, plant and equipment	-	30
Withdrawal/(Placement) of fixed deposits (pledged)	<u>2,049</u>	<u>(1,386)</u>
Net cash flows from investing activities	<u>61,257</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.

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

	Unaudited 30.06.2025 RM'000	Audited 31.12.2024 RM'000
FINANCING ACTIVITIES		
Finance cost paid	(2,859)	(23,273)
Advance from holding company	-	(114)
Repayment of borrowings	(38,712)	(34,443)
Repayment of lease liabilities	(62)	(411)
Interest paid for Sukuk Wakalah	(9,768)	-
Net cash flow from financing activities	<u>(51,401)</u>	<u>(58,240)</u>
CASH AND CASH EQUIVALENTS		
Net changes	11,893	(16,870)
As per audited account brought forward	(2,511)	14,360
Carried forward	<u>9,382</u>	<u>(2,511)</u>
Cash and cash equivalent comprise of:-		
Cash and bank balances	89,827	131,730
Fixed deposit with licensed bank	11,800	13,827
Bank overdraft	-	(4,579)
	<u>101,627</u>	<u>140,978</u>
Less:		
Designated Bank Account	(51,043)	(99,221)
Fixed deposit with licensed bank	(11,800)	(13,756)
Maintenance Reserve Fund	(29,402)	(30,511)
	<u>9,382</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
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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 28 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:

Current Quarter	Current Quarter			Year-to-date		
	Construction	Facility Management	Total	Construction	Facility Management	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	26,071	8,269	34,340	80,193	16,211	96,404
Segment results;						
Finance income #	-	-	6,044	-	-	12,901
Finance costs	-	-	(4,531)	-	-	(9,636)
Depreciation	-	-	(262)	-	-	(408)
Taxation	-	-	(1,375)	-	-	(2,425)
Profit after tax	-	-	601	-	-	1,820

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.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

The Sale and Purchase Agreement was completed in early June 2025.

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

	QUARTER ENDED			YEAR-TO-DATE		
	30.06.2025	30.06.2024	Variance	30.06.2025	30.06.2024	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
<u>Revenue:</u>						
Construction	26,071	10,459	149.3	80,193	29,724	169.8
IFM	8,269	8,802	(6.1)	16,210	19,276	(15.9)
Total revenue	<u>34,340</u>	<u>19,261</u>	78.3	<u>96,403</u>	<u>49,000</u>	96.7
Gross profit	3,188	3,057	4.3	9,701	7,203	34.7
Profit/(Loss) before tax	1,976	(2,050)	(196.4)	4,245	(4,725)	(189.8)

For the quarter

The Group recorded revenue of RM34.3 million and profit before tax of RM2.0 million for the current quarter ended 30 June 2025, compared to revenue of RM19.3 million and loss before tax of RM2.1 million in the corresponding quarter of the previous financial year.

Revenue increased by 78.3% in the current quarter mainly driven by higher contribution from construction segment which recorded 149.3% increase in revenue. Construction work progress for all projects was higher during the quarter. Profit before tax in the current quarter were mainly attributable to lower finance costs amounting RM1.5 million.

For six months financial period

For the financial year-to-date, the Group recorded revenue of RM96.4 million and profit before tax of RM4.2 million, as compared to revenue of RM49.0 million and loss before tax of RM4.7 million in the corresponding year-to-date of previous financial year.

The increase in revenue by 96.7% was contributed by the increase of revenue in construction segment by 169.8% following higher work progress in all projects. In line with the increase in revenue, the Group achieved profit before tax for the financial year-to-date.


B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B2 MATERIAL CHANGES IN QUARTERLY RESULTS

	QUARTER ENDED		
	30.06.2025	31.03.2025	Variance
	RM'000	RM'000	%
<u>Revenue:</u>			
Construction	26,071	54,122	(51.8)
IFM	8,269	7,941	4.1
Total revenue	<u>34,340</u>	<u>62,063</u>	(44.7)
Gross profit	3,188	6,513	(51.1)
Profit/(Loss) before tax	1,976	2,268	(12.9)

Revenue for the current quarter was 44.7% lower as compared to preceding quarter as a result of lower revenue from construction projects which were at tail-end. IFM segment cushioned the overall drop in revenue by recording marginal increase of revenue by 4.1%.

Further to reduction in revenue and lower finance costs, the Group recorded lower profit before tax of RM3.2 million in the current quarter against RM6.5 million in preceding quarter.

B3 COMMENTARY ON PROSPECTS

On the back of RM1.2 billion outstanding order book, the Group is well positioned to benefit from Malaysia's construction sector, which is forecast to grow by about 6% in 2025 driven by infrastructure and renewable energy projects. At the same time, the IFM segment provides resilient recurring income from long term concession contracts and growing demand for sustainable building services.

Leveraging our integrated capabilities across construction and IFM, the Group creates a balanced platform that captures cyclical growth while ensuring stable earnings visibility, supporting long term value creation and strengthening client relationships.

We remain optimistic that our strategic positioning, underpinned by a sustained order book and recurring income base, will drive sustainable growth and enhance long term shareholder value.

B4 VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

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

B5 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 and utilization of business losses.



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

B6 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. MULTIPLE PROPOSALS:

- (i) Proposed acquisition of land**
- (ii) Proposed diversification**
- (iii) Proposed share consolidation**

On 21 August 2025, on behalf of the Board of Directors of the Company, Inter-Pacific Securities Sdn Bhd announce that the Purchaser and the Vendor have on even date entered into a deed of termination in respect of the Sale and Purchase Agreement (SPA) dated 17 April 2025. Pursuant to the deed of termination, the Purchaser and Vendor have mutually agreed to terminate the SPA in light of recent economic changes, which have prompted a reassessment of the Proposed Acquisition, including to reidentify the parcels of land intended to be sold and acquired.

Following the execution of the deed of termination, all obligations of the Purchaser and Vendor under the SPA shall cease and neither party shall have any further claims or demands against each other.

In addition, the Company also wishes to revisit and revise the overall scheme of the Proposals, and details of the same shall be announced accordingly as and when appropriate.

B7 GROUP BORROWINGS

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	RM'000	RM'000	RM'000
Term Loan	9,536	-	9,536
Revolving credit	8,369	-	8,369
Sukuk Wakalah	333,725	-	333,725
	<u>351,631</u>	<u>-</u>	<u>351,631</u>
Total Assets			<u>979,929</u>
Borrowings over Total Assets;			35.88%
Repayable:			
- within one year			45,993
- within more than one year			<u>305,637</u>
			<u>351,631</u>


B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B8 MATERIAL LITIGATIONS

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

B9 DIVIDENDS

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

B10 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	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Profit/(Loss) attributable to ordinary equity holders of the Company (RM'000)	601	(2,982)	1,820	(7,291)
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	3,097,054	3,093,471	3,098,273	3,089,162
Basic earnings per share (sen)	0.02	(0.10)	0.06	(0.24)

B11 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	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Finance income	2,076	410	1,982	956
Finance lease income	3,968	6,458	10,919	13,023
Depreciation	(262)	(920)	(408)	(1,783)
Finance costs	(4,531)	(5,993)	(9,636)	(11,989)

B12 STATUS OF UTILIZATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

Proposed utilisation	Intended timeframe	Expected proceeds RM'000	Actual proceeds raised RM'000	Actual utilization RM'000	Balance unutilized RM'000
Working capital requirement	Within 12 months	15,334	1,000	1,000	14,334
Estimated expenses for the proposed private placement	Immediate	550	38	38	512
TOTAL		15,884	1,038	1,038	14,846