TDM BERHAD

COMPANY NO 196501000477 (6265-P)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
30 JUNE 2026

TDM BERHAD
(Company No 196501000477 (6265-P))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2026
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30-Jun-26 RM'000	Preceding Quarter Ended 30-Jun-25 RM'000	Current Quarter To date 30-Jun-26 RM'000	Preceding Quarter To date 30-Jun-25 RM'000
Continuing operations				
Revenue	205,347	174,031	379,886	304,206
Cost of sales	(136,749)	(121,630)	(256,189)	(212,485)
Gross profit	**68,598**	**52,401**	**123,697**	**91,721**
Other items of income				
Finance income	320	169	581	516
Other income	5,456	4,102	8,875	6,223
Other items of expense				
Distribution costs	(1,980)	(1,429)	(3,712)	(2,152)
Administrative and other operating expenses	(49,425)	(48,632)	(107,691)	(104,793)
Other expenses	(204)	(585)	(359)	(946)
Finance costs	(7,456)	(7,293)	(14,977)	(14,299)
Share of (loss)/profit from associate	(38)	276	-	318
Profit/(loss) before tax	**15,271**	**(991)**	**6,414**	**(23,412)**
Taxation	(5,221)	(1,142)	(5,842)	127
Profit/(loss) for the financial period from continuing operations	**10,050**	**(2,133)**	**572**	**(23,285)**
Discontinued operation				
Profit for the financial period from discontinued operation	4,571	3,854	7,854	8,282
Profit/(loss) for the financial period	**14,621**	**1,721**	**8,426**	**(15,003)**
Profit/(loss) attributable to:				
Owners of the parent				
- continuing operations	10,087	(1,996)	1,020	(23,803)
- discontinued operation	4,571	3,753	7,854	7,904
	14,658	**1,757**	**8,874**	**(15,899)**
Non-controlling interests				
- continuing operations	(37)	(137)	(448)	518
- discontinued operation	-	101	-	378
	(37)	**(36)**	**(448)**	**896**

TDM BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2026

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30-Jun-26 RM'000	Preceding Quarter Ended 30-Jun-25 RM'000	Current Quarter To date 30-Jun-26 RM'000	Preceding Quarter To date 30-Jun-25 RM'000
Other comprehensive loss:				
Foreign currency translation	(4,318)	(3,223)	(5,714)	(4,518)
Fair value movement of investments in securities	(5)	(10)	(11)	(12)
Other comprehensive loss for the financial period	**(4,323)**	**(3,233)**	**(5,725)**	**(4,530)**
Total other comprehensive income/(loss) for the financial period	**10,298**	**(1,512)**	**2,701**	**(19,533)**
Total comprehensive income/(loss) attributable to:				
Owners of the parent	10,335	(1,273)	3,149	(20,146)
Non-controlling interests	(37)	(239)	(448)	613
	10,298	**(1,512)**	**2,701**	**(19,533)**
Earning/(loss) per share attributable to owner of the parent (sen per share):				
Basic (Note 25)	0.86	0.10	0.52	(0.92)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial statements)

TDM BERHAD
(Company No 196501000477 (6265-P))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

(The figures have not been audited)

	As at 30-Jun-26 RM'000	As at 31-Dec-25 RM'000
Assets		
Non-current assets		
Property, plant and equipment	849,106	840,866
Right-of-use assets	482,502	488,462
Goodwill	6,520	6,520
Investment in an associate	-	-
Other investments	48,073	48,073
Investments in securities	33	44
Other receivables	3,358	3,358
Deferred tax assets	4,107	4,098
	1,393,699	**1,391,421**
Current assets		
Biological assets	7,880	5,224
Inventories	39,027	29,067
Trade and other receivables	95,306	88,115
Prepayments	7,138	10,112
Tax recoverable	8,599	4,902
Cash and bank balances	71,516	68,996
Assets of disposal group classified as held for sale	103,791	102,650
	333,257	**309,066**
Total assets	**1,726,956**	**1,700,487**
Equity and liabilities		
Current liabilities		
Retirement benefit obligations	791	363
Lease liabilities	2,947	3,344
Loans and borrowings	79,481	53,381
Trade and other payables	204,957	169,021
Contract liabilities	29,776	41,440
Income tax payable	6,214	6,603
Liabilities of disposal group classified as held for sale	7,318	7,855
	331,484	**282,007**
Net current assets	**1,773**	**27,059**

TDM BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026
(The figures have not been audited)

	As at 30-Jun-26 RM'000	As at 31-Dec-25 RM'000
Non-current liabilities		
Retirement benefit obligations	2,103	2,875
Lease liabilities	104,742	105,836
Loans and borrowings	397,778	410,647
Other payables	4,774	4,774
Contract liabilities	24,930	34,950
Deferred tax liabilities	179,356	180,087
	713,683	**739,169**
Total liabilities	**1,045,167**	**1,021,176**
Net assets	**681,789**	**679,311**
Equity attributable to owners of the parent		
Share capital	359,445	359,445
Retained earnings	313,318	304,444
Other reserves	44,602	44,613
Reserves of a disposal group held for sale	(46,011)	(40,297)
	671,354	**668,205**
Non-controlling interests	10,435	11,106
Total equity	**681,789**	**679,311**
Total equity and liabilities	**1,726,956**	**1,700,487**
Net assets per share (RM)	0.40	0.39

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial statements)

TDM BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2026
(The figures have not been audited)

	Attributable to owners of the parent									
			Non-distributable	Distributable		Non-distributable				
	Equiy, total RM'000	Equity attributable to owners of the parent, total RM'000	Share capital RM'000	Retained earnings RM'000	Other reserves, total RM'000	Fair value adjustment reserve RM'000	Employee benefits plan reserve RM'000	Premium paid on acquisition of non-controlling interest RM'000	Reserves of a disposal group held for sale RM'000	Non-controlling interests RM'000
Opening balance at 1 January 2026	679,311	668,205	359,445	304,444	44,613	43,321	1,323	(31)	(40,297)	11,106
Profit/(loss) for the financial period	8,426	8,874	-	8,874	-	-	-	-	-	(448)
Other comprehensive loss										
Foreign currency translation	(5,714)	(5,714)	-	-	-	-	-	-	(5,714)	-
Fair value movement of investments in securities	(11)	(11)	-	-	(11)	(11)	-	-	-	-
Other comprehensive loss for the financial period	(5,725)	(5,725)	-	-	(11)	(11)	-	-	(5,714)	-
Total comprehensive loss for the financial period	2,701	3,149	-	8,874	(11)	(11)	-	-	(5,714)	(448)
Transaction with owners										
Dividends paid to non-controlling interests	(223)	-	-	-	-	-	-	-	-	(223)
Total transactions with owners	(223)	-	-	-	-	-	-	-	-	(223)
Closing balance at 30 June 2026	681,789	671,354	359,445	313,318	44,602	43,310	1,323	(31)	(46,011)	10,435
Opening balance at 1 January 2025	688,103	722,034	359,445	349,763	45,067	44,804	294	(31)	(32,241)	(33,931)
Loss for the financial period	(15,003)	(15,899)	-	(15,899)	-	-	-	-	-	896
Other comprehensive loss										
Foreign currency translation	(4,518)	(4,235)	-	-	-	-	-	-	(4,235)	(283)
Fair value movement of investments in securities	(12)	(12)	-	-	(12)	(12)	-	-	-	-
Other comprehensive loss for the financial period	(4,530)	(4,247)	-	-	(12)	(12)	-	-	(4,235)	(283)
Total comprehensive loss for the financial period	(19,533)	(20,146)	-	(15,899)	(12)	(12)	-	-	(4,235)	613
Transaction with owners										
Dividends on ordinary shares	(6,375)	(6,375)	-	(6,375)	-	-	-	-	-	-
Total transaction with owners	(6,375)	(6,375)	-	(6,375)	-	-	-	-	-	-
Closing balance at 30 June 2025	662,195	695,513	359,445	327,489	45,055	44,792	294	(31)	(36,476)	(33,318)

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial statements)

TDM BERHAD
(Company No 196501000477 (6265-P))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2026
(The figures have not been audited)

	Period Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000
Operating activities		
Profit/(loss) before tax from continuing operations	6,414	(23,412)
Profit before tax from discontinued operation	7,854	8,282
	14,268	(15,130)
Adjustments for:		
Finance expense	14,977	14,299
Depreciation of property, plant and equipment	27,605	28,039
Amortisation of intangible asset	-	297
Amortisation of right-of-use assets	6,254	5,443
Property, plant and equipment written off		
- Continuing	7	11
Inventories written off - Continuing	32	8
Expected credit losses of trade receivables	30	191
Reversal of expected credit losses of trade receivables	(142)	-
Expected credit losses of other receivables	-	106
Foreign exchange gain on remeasurement of assets held for sale		
- Property, plant and equipment	(6,390)	(6,019)
- Right-of-use assets	(1,590)	(1,497)
Gain on Government acquisition of right-of-use assets	-	(585)
Gain on disposal of property, plant and equipment	-	(27)
Dividend income	(1,184)	(1,102)
Provision for retirement benefit obligations		
- Continuing	105	35
Profit from Al Mudharabah	(581)	(516)
Land premium on sublessee land	(158)	(130)
Fair value changes of biological assets		
- Continuing	(2,656)	(237)
- Discontinued	10	174
Total adjustments	36,319	38,490
Operating cash flows before changes in working capital	50,587	23,360
Changes in working capital		
Inventories	(9,992)	(10,993)
Receivables	(6,921)	(7,789)
Payables	36,254	21,190
Contract liabilities	(21,684)	(25,414)
Prepayment	2,974	(1,829)
Total changes in working capital	631	(24,835)
Cash flows generated from/(used in) operations	51,218	(1,475)

TDM BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2026
(The figures have not been audited)

	Period Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000
Operating activities (cont'd.)		
Profit paid	(14,977)	(14,299)
Profit from Al Mudharabah received	581	516
Taxes paid	(10,961)	(8,404)
Taxes refunded	89	426
Retirement benefits paid	(449)	(101)
Net cash flows generated from/(used in) operating activities	25,501	(23,337)
Investing activities		
Purchase of property, plant and equipment	(36,233)	(26,611)
Dividend received	1,184	1,102
Movement in deposits with licensed banks pledged for bank guarantee facility	(6,524)	9,640
Proceed from disposal of property, plant and equipment	-	60
Net cash flows used in investing activities	(41,573)	(15,809)
Financing activities		
Drawdown of term loans	49,243	99,917
Repayment of term loans and borrowings	(36,012)	(44,231)
Repayment of finance lease	(1,196)	(1,151)
Dividend paid to shareholder	-	(4,307)
Net cash flows generated from financing activities	12,035	50,228
Net (decrease)/increase in cash and cash equivalents	(4,037)	11,082
Cash and cash equivalents at 1 January	64,002	99,740
Cash and cash equivalents at end of the period	59,965	110,822
Cash and cash equivalents at the end of the period comprise of the following:		
Cash and banks balances		
- Continuing operations	71,516	114,439
- Discontinued operation	19	22
Less: Deposits in FSRA with licensed banks	(3,947)	(2,127)
Less: Deposits pledged for bank guarantee facility	(7,623)	(1,512)
Cash and cash equivalents	59,965	110,822

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial statements)

Explanatory Notes Pursuant to MFRS 134

Notes:

1. Accounting policies and basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2025.

The interim financial statements of the Group for the financial period ended 30 June 2026 was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") Framework.

The accounting policies applied in this interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2025.

1.1 Changes in accounting policies

On 1 January 2026, the Group adopted the following new and amended MFRSs mandatory for annual periods beginning on or after 1 January 2026.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9 and MFRS 7, Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10, MFRS 107: Annual Improvements - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Activities	1 January 2026

1.2 Standards issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning on or
Amendments to MFRS 121 - The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency	1 January 2027
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027

1. Accounting policies and basis of preparation (cont'd.)

1.2 Standards issued but not yet effective (cont'd.)

At the date of authorisation of these interim financial statements, the following MFRSs were issued but not yet effective and have not been applied by the Group: (cont'd.)

Description	Effective for annual periods beginning on or after
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

2. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2025 were reported without any qualification.

3. Seasonal or cyclical factors

The operations of the Group are not affected by any cyclical factors, other than the cyclical production of fresh fruit bunches (FFB).

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter ended 30 June 2026.

5. Nature and amount of changes in estimates of amounts reported in prior periods of the current financial year, which give a material effect in the current period

There were no changes in estimates of amounts, which give a material effect in the current period.

6. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

7. Dividend

The directors do not recommend the payment of any interim dividend for the current financial period.

8. Segmental reporting

The segments are reported in a manner that is more consistent with internal reporting whereby the Group's business is presented in term of business division and geographical perspective. The operating performance is based on a measure of earning before interest, tax, depreciation and amortisation ("EBITDA").

3 months ended 30 June 2026

	Plantation RM'000	Healthcare RM'000	Investment holding and others RM'000	Share of loss from associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	106,078	100,589	-	-	206,667	-
Intersegment revenue	(1,073)	(247)	-	-	(1,320)	-
External revenue	**105,005**	**100,342**	**-**	-	**205,347**	**-**
EBITDA	**24,452**	**19,500**	**(4,566)**	**(38)**	**39,348**	**4,571**
Depreciation & amortisation	(10,969)	(4,339)	(1,633)	-	(16,941)	-
Profit from Al Mudharabah	(38)	117	241	-	320	-
Finance costs	(4,731)	(968)	(1,757)	-	(7,456)	-
Profit/(loss) before tax	**8,714**	**14,310**	**(7,715)**	**(38)**	**15,271**	**4,571**

3 months ended 30 June 2025

	Plantation RM'000	Healthcare RM'000	Investment holding and others RM'000	Share of profit from associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	89,599	85,803	-	-	175,402	-
Intersegment revenue	(939)	(432)	-	-	(1,371)	-
External revenue	**88,660**	**85,371**	**-**	-	**174,031**	**-**
EBITDA	**15,938**	**10,319**	**(3,306)**	**276**	**23,227**	**3,854**
Depreciation & amortisation	(11,173)	(4,279)	(1,642)	-	(17,094)	-
Profit from Al Mudharabah	90	73	6	-	169	-
Finance costs	(4,155)	(974)	(2,164)	-	(7,293)	-
Profit/(loss) before tax	**700**	**5,139**	**(7,106)**	**276**	**(991)**	**3,854**

8. Segmental reporting (cont'd.)

The segments are reported in a manner that is more consistent with internal reporting whereby the Group's business is presented in term of business division and geographical perspective. The operating performance is based on a measure of earning before interest, tax, depreciation and amortisation ("EBITDA"). (cont'd.)

6 months ended 30 June 2026

	Plantation RM'000	Healthcare RM'000	Investment holding and others RM'000	Share of profit from associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	191,423	191,168	-	-	382,591	-
Intersegment revenue	(2,100)	(605)	-	-	(2,705)	-
External revenue	**189,323**	**190,563**	-	-	**379,886**	-
EBITDA	**35,992**	**26,430**	**(7,753)**	**-**	**54,669**	**7,854**
Depreciation & amortisation	(21,899)	(8,674)	(3,286)	-	(33,859)	-
Profit from Al Mudharabah	99	227	255	-	581	-
Finance costs	(9,666)	(2,020)	(3,291)	-	(14,977)	-
Profit/(loss) before tax	**4,526**	**15,963**	**(14,075)**	**-**	**6,414**	**7,854**
30 June 2026						
Assets	**1,088,351**	**313,368**	**221,446**	**-**	**1,623,165**	**103,791**
Liabilities	**623,414**	**93,373**	**321,062**	**-**	**1,037,849**	**7,318**
	MYR	IDR				
Exchange rate ratio	1.00	4,405				

6 months ended 30 June 2025

	Plantation RM'000	Healthcare RM'000	Investment holding and others RM'000	Share of profit from associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	139,915	166,670	-	-	306,585	-
Intersegment revenue	(1,646)	(733)	-	-	(2,379)	-
External revenue	**138,269**	**165,937**	-	-	**304,206**	-
EBITDA	**19,188**	**14,489**	**(9,845)**	**318**	**24,150**	**8,282**
Depreciation & amortisation	(22,288)	(8,258)	(3,233)	-	(33,779)	-
Profit from Al Mudharabah	245	127	144	-	516	-
Finance costs	(8,758)	(1,990)	(3,551)	-	(14,299)	-
(Loss)/profit before tax	**(11,613)**	**4,368**	**(16,485)**	**318**	**(23,412)**	**8,282**
30 June 2025						
Assets	**1,031,342**	**315,158**	**274,864**	**-**	**1,621,364**	**105,302**
Liabilities	**626,444**	**94,363**	**299,136**	**-**	**1,019,943**	**42,461**
	MYR	IDR				
Exchange rate ratio	1.00	3,846				

9. Material subsequent event

There were no material subsequent event of the Group for the financial period under review.

10. Changes in the composition of the Group

There is no changes in the composition of the Group during quarter under review.

11. Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities from the previous audited financial statements to the date of this quarterly report.

12. Capital commitments

Capital commitments as at the reporting date are as follows:

	RM'000
Approved and contracted for:	
Property, plant and equipment	46,277

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

13. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial period to date

Individual quarter - Q2 2026 versus Q2 2025

	Q2 2026 RM'000	Q2 2025 RM'000	Changes RM'000	%
REVENUE				
Plantation	105,005	88,660	16,345	18%
Healthcare	100,342	85,371	14,971	18%
Total revenue	**205,347**	**174,031**	**31,316**	**18%**
Plantation	24,452	15,938	8,514	53%
Healthcare	19,500	10,319	9,181	89%
Investment holding and others	(4,566)	(3,306)	(1,260)	-38%
Share of (loss)/profit from associate	(38)	276	(314)	>-100%
EBITDA	**39,348**	**23,227**	**16,121**	**69%**
Depreciation & amortisation	(16,941)	(17,094)	153	1%
Profit from Al Mudharabah	320	169	151	89%
Finance costs	(7,456)	(7,293)	(163)	-2%
Profit/(loss) before tax	**15,271**	**(991)**	**16,262**	**>100%**

The Group's revenue for the three months period ended 30 June 2026 increased by 18% compared to the corresponding quarter of the previous year. This growth was primarily driven by higher revenue from the Plantation Division, which recorded an increase of RM16.3 million or 18% and the Healthcare Division, which rose by RM15.0 million or 18% respectively.

The Group recorded a Profit Before Tax ("PBT") of RM15.3 million during the quarter, a significant improvement compared to the Loss before tax ("LBT") of RM1.0 million in the corresponding quarter of the previous year. Additionally, the EBITDA for the Group has improved by 69% as compared to the previous corresponding quarter.

PLANTATION DIVISION

For 2Q FY2026, the Plantation Division recorded a 18% increase in revenue, primarily driven by higher sales volumes of Crude Palm Oil ("CPO") and Palm Kernel ("PK"), which both rose by 13% respectively, compared to the corresponding quarter of the previous year. The improvement was further supported by an increase in the average selling prices of CPO and PK, which rose by 10% and 11% respectively, during the quarter.

The Division recorded an EBITDA of RM24.5 million, representing a significant increase of RM8.5 million compared to the corresponding quarter of the previous year. Meanwhile, PBT improved notably, rising from RM0.7 million in the prior year's corresponding quarter to a PBT of RM8.7 million in the current quarter.

13. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial period to date (cont'd.)

Individual quarter - Q2 2026 versus Q2 2025 (cont'd.)

PLANTATION DIVISION (CONT'D.)

Below are the key operating statistics for Plantation Division:

Plantation Statistics	Q2 2026	Q2 2025	Changes	%
CPO sales volume (mt)	19,209	17,013	2,196	13%
PK sales volume (mt)	4,588	4,062	526	13%
FFB production (mt)	76,190	72,702	3,488	5%
CPO average price (RM)	4,564	4,137	427	10%
PK average price (RM)	3,775	3,391	384	11%
Mature area (hectare)	23,672	23,363	309	1%
Immature area (hectare)	4,659	5,096	(437)	-9%
Oil extraction rate (%)	19.45	18.82	0.63	3%
Kernel extraction rate (%)	4.70	4.53	0.17	4%

HEALTHCARE DIVISION

The Healthcare Division continued to deliver strong performance, recording an 18% increase in revenue compared to the corresponding quarter of the previous year. This growth was primarily driven by an 18% increase in average revenue per inpatient, together with a 5% increase in the number of inpatients and a 8% increase in the number of outpatients.

The Division also reported a significant improvement in profitability during the quarter with PBT increasing to RM14.3 million or 178% and EBITDA rising to RM19.5 million or 89%, compared to the corresponding quarter of the previous year.

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	Q2 2026	Q2 2025	Changes	%
Number of inpatient	6,490	6,181	309	5%
Number of outpatient	48,838	45,094	3,744	8%
Inpatient days	17,299	17,076	223	1%
Occupancy rate (%)	57	59	(2)	-3%
Average length of stay (day)	2.67	2.76	(0.09)	-3%
Number of bed	333	318	15	5%
Average revenue per inpatient (RM)	12,018	10,191	1,827	18%

13. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial period to date (cont'd.)

Cumulative quarter - 1H 2026 versus 1H 2025

	1H 2026 RM'000	1H 2025 RM'000	Changes RM'000	%
REVENUE				
Plantation	189,323	138,269	51,054	37%
Healthcare	190,563	165,937	24,626	15%
Total revenue	**379,886**	**304,206**	**75,680**	**25%**
Plantation	35,992	19,188	16,804	88%
Healthcare	26,430	14,489	11,941	82%
Investment holding and others	(7,753)	(9,845)	2,092	21%
Share of profit from associate	-	318	(318)	-100%
EBITDA	**54,669**	**24,150**	**30,519**	**>100%**
Depreciation & amortisation	(33,859)	(33,779)	(80)	-0.2%
Profit from Al Mudharabah	581	516	65	13%
Finance costs	(14,977)	(14,299)	(678)	-5%
Profit/(loss) before tax	**6,414**	**(23,412)**	**29,826**	**>100%**

For the six months ended 30 June 2026, the Group recorded an increase of 25% in revenue compared to the corresponding period of the previous year. The increase was primarily attributable to higher revenue from the Plantation Division, which increased by RM51.1 million or 37% and Healthcare Division, which grew by RM24.6 million or 15% respectively.

The Group recorded a PBT of RM6.4 million for the period, compared to a LBT of RM23.4 million in the corresponding period of the previous year, reflecting a significant turnaround in financial performance.

PLANTATION DIVISION

For the 1H FY2026, revenue from the Plantation Division improved by 37% year-on-year ("YoY") to RM189.3 million, compared to RM138.3 million in 1H FY2025. The increase was primarily contributed by higher sales volumes of CPO and PK, which improved by 40% and 41%, respectively, driven by increase in FFB production by 24%.

The Division recorded an EBITDA of RM36.0 million, representing a significant increase from RM19.2 million compared to the corresponding period of the previous year. Meanwhile, the Division's LBT improved from RM11.6 million to PBT of RM4.5 million in the current period.

Below are the key operating statistics for Plantation Division:

Plantation Statistics	**1H 2026**	**1H 2025**	**Changes**	**%**
CPO sales volume (mt)	36,011	25,730	10,281	40%
PK sales volume (mt)	8,641	6,120	2,521	41%
FFB production (mt)	141,882	114,801	27,081	24%
CPO average price (RM)	4,380	4,391	(11)	-0.3%
PK average price (RM)	3,658	3,518	140	4%
Mature area (hectare)	23,672	23,363	309	1%
Immature area (hectare)	4,659	5,096	(437)	-9%
Oil extraction rate (%)	19.45	18.72	0.73	4%
Kernel extraction rate (%)	4.70	4.48	0.22	5%

13. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial period to date (cont'd.)

Individual quarter - 1H 2026 versus 1H 2025 (cont'd.)

HEALTHCARE DIVISION

For the 1H FY2026 under review, revenue increased by 15% to RM190.6 million, compared to RM165.9 million in the corresponding period of the previous year. The increase in revenue was primarily due to an improved in average revenue per inpatient, number of inpatient and outpatient by 13%, 5% and 8%, respectively.

The Division registered an EBITDA of RM26.4 million, representing an increase of 82% compared to the corresponding period of the previous year. The division also recorded a PBT of RM16.0 million for the current period, as compared to RM4.4 million in the same period last year.

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	**1H 2026**	**1H 2025**	**Changes**	**%**
Number of inpatient	12,575	11,949	626	5%
Number of outpatient	95,278	88,048	7,230	8%
Inpatient days	33,549	31,655	1,894	6%
Occupancy rate (%)	56	55	1	2%
Average length of stay (day)	2.67	2.65	0.02	1%
Number of bed	333	318	15	5%
Average revenue per inpatient (RM)	11,687	10,339	1,348	13%

14. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

Individual quarter - Q2 2026 versus Q1 2026

	Q2 2026 RM'000	**Q1 2026 RM'000**	**Changes RM'000**	**%**
REVENUE				
Plantation	105,005	84,318	20,687	25%
Healthcare	100,342	90,221	10,121	11%
Total revenue	**205,347**	**174,539**	**30,808**	**18%**
Plantation	24,452	11,540	12,912	>100%
Healthcare	19,500	6,930	12,570	>100%
Investment holding and others	(4,566)	(3,187)	(1,379)	-43%
Share of (loss)/profit from associate	(38)	38	(76)	-100%
EBITDA	**39,348**	**15,321**	**24,027**	**157%**
Depreciation & amortisation	(16,941)	(16,918)	(23)	-0.1%
Profit from Al Mudharabah	320	261	59	23%
Finance costs	(7,456)	(7,521)	65	1%
Profit/(loss) before tax	**15,271**	**(8,857)**	**24,128**	**>100%**

The Group's revenue for the three months ended 30 June 2026 increased by 18% as compared to the immediate preceding quarter mainly due to the higher revenue from both Plantation Division and Healthcare Division by 25% and 11% respectively, as compared to the immediate preceding quarter.

14. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter (cont'd.)

Individual quarter - Q2 2026 versus Q1 2026 (cont'd.)

The Group recorded a PBT of RM15.3 million during the quarter, as compared to a LBT of RM8.9 million in the immediate preceding quarter.

PLANTATION DIVISION

The Plantation Division recorded higher revenue of 25% mainly due to higher sales volume of CPO and PK by 14% and 13% respectively, driven by a 16% increase in FFB production.

During the quarter, our Plantation Division registered an EBITDA of RM24.5 million, a double improvemet as compared to RM11.5 million in the immediate preceding quarter.

Below are the key operating statistics for Plantation Division:

Plantation Statistics	**Q2 2026**	**Q1 2026**	**Changes**	**%**
CPO sales volume (mt)	19,209	16,802	2,407	14%
PK sales volume (mt)	4,588	4,053	535	13%
FFB production (mt)	76,190	65,692	10,498	16%
CPO average price (RM)	4,564	4,170	394	9%
PK average price (RM)	3,775	3,526	249	7%
Mature area (hectare)	23,672	24,716	(1,044)	-4%
Immature area (hectare)	4,659	3,614	1,045	29%
Oil extraction rate (%)	19.45	19.18	0.27	1%
Kernel extraction rate (%)	4.70	4.74	(0.04)	-1%

HEALTHCARE DIVISION

Healthcare Division recorded 11% increased in revenue mainly due to the increase in occupancy rate by 6%, number of inpatient by 7% and number of outpatient 5% respectively as compared to the immediate preceding quarter.

During the quarter, the Division registered an EBITDA of RM19.5 million, compared to RM6.9 million in the immediate preceding quarter. The division also recorded a PBT of RM14.3 million during the quarter from RM1.7 million in the immediate preceding quarter.

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	**Q2 2026**	**Q1 2026**	**Changes**	**%**
Number of inpatient	6,490	6,085	405	7%
Number of outpatient	48,838	46,440	2,398	5%
Inpatient days	17,299	16,250	1,049	6%
Occupancy rate (%)	57	54	3	6%
Average length of stay (day)	2.67	2.67	-	-
Number of bed	333	333	-	-
Average revenue per inpatient (RM)	12,018	11,354	664	6%

15. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter

Malaysia Plantation Division

Malaysia's CPO production for the Q2 FY2026 was recorded at 4.78 million mt, an increase of 13% from Q1 FY2026 but 7% down from the same quarter last year. Meanwhile, production performance YTD June 2026 was only marginally up by 1% at 9.02 million mt compared to the same period in preceding year. TDM production during Q2 FY2026 was marginally higher by 1% compared to Q1 FY2026, whereas Peninsular Malaysia increased by 14%.

Total Malaysia's palm oil exports during Q2 FY2026 was 3.63 million mt, a decline of 10% from the previous quarter and 4% lower compared to same quarter last year. However, YTD June 2026 exports recorded at 7.67 million mt was 10% higher year-on-year. On monthly basis, Malaysia's June 2026 palm oil exports was up by 6% from a 12% decline observed during May 2026.

Resulting from the gains in production and weakened exports during Q2 FY2026, palm oil stocks in Malaysia increased to 2.54 million mt at the end of June 2026. It was a 5% increase from May 2026, and a 25% jump year-on-year. Despite the rise in Malaysian palm oil stocks, the Malaysia CPO average price for June remained firm at RM4,293 per mt or 13% higher month-on-month, while YTD June 2026 average price stood at RM4,360 per mt, up 2% compared to YTD June 2025.

<u>The outlook for 3rd quarter and FY2026</u>

Global palm oil production and exports normally show a substantial seasonal increase during the second half of the year. It should be noted however that seasonal increase in supplies of palm oil were not always associated with price pressure. Historically, palm oil prices were higher during July/December than during January/June in five of the past seven years, suggested that in general, the supply pressure was obviously offset by seasonal increase in demand for palm oil.

There is a possibility of a "very strong" El Nino event this year, with an 81% chances of occurring between October and December 2026. Export demand from India, one of the traditional biggest importers of palm oil could be substantially higher during the second half of FY2026 in view of potential reduction in Indian domestic edible oil production caused by a delayed monsoon rain observed and possible reduction in rain falls associated with the El Nino weather phenomena.

Divestment of Indonesia Plantation Division

The Conditional Share Purchase Agreement ("CSPA") for the disposal of PT Rafi Kamajaya Abadi ("PT RKA") and PT Sawit Rezki Abadi ("PT SRA") was signed between TDM and Ikhasas Sawit Sdn. Bhd. on the 29 July 2022. PT RKA continues to be fully managed by PT Ikhasas Sawit Indo Makmur through a management services arrangement starting 1 August 2022.

The fulfillment of Condition Precedents has been extended from 30 June 2026 to new Long Stop Date of 31 December 2026 ("Seventh Extended Long Stop Date"). As informed to the shareholders during the TDM's 61st Annual General Meeting ("AGM"), the extension is to primarily accommodate RKA's finalization of rehab blueprint on fire affected lands as per joint deal signed with Kementerian Lingkungan Hidup Indonesia on 8 July 2025. Both TDM and the Buyer are coordinating efforts to finalize the rehab blueprint and remain committed to seeing the completion of the disposal.

15. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter (cont'd.)

Healthcare Division

The Group recorded satisfactory revenue growth in the second quarter of FY2026 compared with the corresponding quarter of the preceding financial year, notwithstanding the impact of multiple festive holidays and the fasting month, which traditionally moderate healthcare utilisation. The improved performance reflects sustained demand for the Group's healthcare services and continued operational improvements across its hospital network.

Cautious from any unforeseen circumstances, the Group expects to maintain a stable performance for the remaining quarters of FY2026. The Malaysian healthcare sector is expected to benefit from the Government's continued initiatives to strengthen healthcare delivery through greater public-private collaboration, healthcare digitalisation, and investment in healthcare infrastructure, which are anticipated to support long-term demand for quality private healthcare services. The operating environment, however, remains challenging. Rising medical inflation and higher insurance premiums continue to place financial pressure on policyholders, resulting in reduced insurance coverage and affordability for certain patient segments. Insurers are also adopting stricter cost-containment measures and seeking more competitive pricing from private hospitals. In addition, ongoing geopolitical conflicts and global trade uncertainties have contributed to higher costs of imported pharmaceuticals, medical consumables, equipment, and logistics, placing further pressure on operating margins.

The Group's expansion initiatives remain on track. Construction of KMI Bertam Medical Centre is progressing according to schedule, while KMI Chukai Medical Centre is preparing its construction phase. Concurrently, the group continues to undertake phased renovations, facility upgrades, and capacity enhancements across its existing hospitals to strengthen service capabilities, improve patient experience, and support sustainable long-term growth. In addition, the Group is exploring further expansion opportunities, including the proposed development of a new hospital in Bandar Baru Tunjong, Kota Bharu, and the proposed collaboration with UiTM Private Specialist Centre, Sungai Buloh. Letters of Intent have been issued in relation to these initiatives, which remain subject to the completion of due diligence, negotiations, regulatory approvals, and the execution of definitive agreements, where applicable.

16a. Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)

Not applicable.

16b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the quarter ended 30 June 2026.

17. Profit/(loss) before tax

	Current period to date	
	30-Jun-26	**30-Jun-25**
	RM'000	**RM'000**
The following items have been included in arriving at profit/(loss) before tax from continuing operations:		
Depreciation of property, plant and equipment	27,605	28,039
Amortisation of intangible asset	-	297
Amortisation of right-of-use assets	6,254	5,443
Property, plant and equipment written off	7	11
Inventories written off	32	8
Expected credit losses of trade receivables	30	191
Expected credit losses of other receivables	-	106
Gain on disposal of property, plant and equipment	-	(27)
Land premium on sublessee land	(158)	(130)
Utilisation of contract liabilities	(13,332)	(16,677)
Fair value changes in biological assets	(2,656)	(237)

18. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and preceding quarter to date

	Current Quarter		Current period to date	
	30-Jun-26	**30-Jun-25**	**30-Jun-26**	**30-Jun-25**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current income tax - continuing operations:	4,225	2,509	6,582	3,636
Deferred income tax - continuing operations:				
Relating to reversal and origination of temporary differences	994	(1,364)	(444)	(3,597)
Under/(over) provision in previous period	2	(3)	(296)	(166)
Income tax expense/(benefit)	5,221	1,142	5,842	(127)

Income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the period.

The difference between the Group's effective tax rate and the statutory rate of 24% is mainly due to expenses that are not deductible for tax purposes, the reversal of deferred tax assets previously recognised, and not to recognise deferred tax assets in respect of unutilised tax losses for certain subsidiaries where future taxable profits are not yet assured.

19. Discontinued operation and disposal group classified as held for sale

Assets and liabilities of PT RKA and PT SRA classified as held for sale on the Group's statement of financial position are as below:

	Group	
	As at 30-Jun-26 RM'000	**As at 31-Dec-25 RM'000**
Assets:		
Property, plant and equipment	82,912	81,966
Right-of-use assets	20,690	20,446
Prepayment	24	31
Biological assets	145	155
Cash and bank balances	20	52
	103,791	102,650
Liabilities:		
Other payables	(7,318)	(7,855)
	(7,318)	(7,855)
Net assets directly associated with disposal group	96,473	94,795

The result of PT RKA and PT SRA for the periods are presented below:

	Current period to date	
	30-Jun-26 RM'000	**30-Jun-25 RM'000**
Other income *	7,981	8,502
Administrative expenses	(127)	(220)
Profit before tax, representing profit for the financial period from discontinued operation	7,854	8,282

* Included in other income are foreign exchange gain on remeasurement of assets held for sale of property, plant and equipments and right-of-use assets amounting to RM7.9 million (Q2 2025: RM7.5 million).

20. Corporate proposals

a. Execution of an Agreement to Build and Sub-Lease ("ATBSL") in relation to the proposed build and sub-lease of a new block for KMI Tawau Medical Centre ("KMITMC") ("New Specialist Hospital Building") and renovation works for the existing building of KMITMC ("Existing Specialist Hospital Building") in Tawau, Sabah.

On 14 April 2026, TDM had announce that KMITMC, a wholly-owned subsidiary of Kumpulan Medic Iman Sdn Bhd ("KMI"), which in turn is a subsidiary of TDM, has on 14 April 2026 entered into an ATBSL in relation to the Proposal with Tawau Healthcare Sdn Bhd ("THSB"). KMITMC shall, within 3 months from the execution of the ATBSL, deliver to THSB a security deposit in the form of a bank guarantee for an amount of RM1.3 million ("ATBSL Bank Guarantee").

THSB shall build and construct the New Specialist Hospital Building (with an annex building for mechanical and engineering purposes) with the Gross Development Cost in the sum of RM72 million, on the parcels of land held under Town Lease TL107502705, TL107502983 and TL107502698, all in the District of Tawau, Sabah ("New Land") and shall undertake renovation works on the Existing Specialist Hospital Building, which is adjacent to the New Land (collectively the "Project"), upon the terms and conditions of the ATBSL.

The construction works for the Project are expected to be completed within 24 months from the Unconditional Date (the day which all Conditions Precedent shall have been fulfilled or waived). Upon completion, both New and Existing Specialist Hospital Building together will have a total approved capacity of 59 beds, inclusive of the existing 7 beds for the Existing Specialist Hospital Building, as approved by the Ministry of Health.

b. Circular to Shareholders in relation to Recurrent Related Party Transaction ("RRPT").

On 28 April 2026, TDM had announced that proposed renewal of the existing shareholders' mandate for RRPT of a revenue or trading nature, which are necessary for the ordinary course of business of the TDM Group. The proposal primarily relates to the purchase 10,000 mt of fertilizer CRF 2 (10:5:20:3+5% Micro) from East Coast Fertilizer Sdn. Bhd. as part of FY2026 and FY2027 Group's fertiliser programme.

Total purchase of fertilizer CRF 2 (10:5:20:3+5% Micro) with a total estimated contract value of RM18.0 million or RM1,800 per mt plus 10%, which give a final amount of RM19.8 million.

The mandate will remain effective from the date of shareholders' approval which at 61st AGM on 22 June 2026 until the conclusion of the next AGM (unless earlier revoked or renewed) and are in the ordinary course of business on the terms that not more favourable to the related party than those generally available to the public.

20. Corporate proposals (cont'd.)

c. Related Party Transaction issuance of the Letter of Intent ("LOI") by Kumpulan Medic Iman Sdn Bhd ("KMI") in favour of GPQ Sdn Bhd ("GPQ") for the construction and development of KMI Chukai Medical Centre ("KMICMC").

On 30 April 2026, TDM had announced that KMI, a subsidiary of TDM has on 30 April 2026 issued a LOI to GPQ in relation to the proposed construction and development of KMICMC, Kemaman, Terengganu ("the Project").

The Project involves the construction and development of a private specialist hospital to be known as KMI Chukai Medical Centre, including all associated hospital infrastructure, facilities, and statutory compliance works which estimated approximately RM142.8 million, subject to finalisation of scope, design, specifications, and commercial terms to be agreed in the definitive agreement(s).

The proposed construction and development of KMICMC is expected to present positive long-term prospects for the Group, subject to the successful finalisation of the definitive agreements and the requisite approvals.

The estimated timeframe for the completion of the proposed construction and development of KMICMC will be finalised upon the execution of the definitive agreements with the appointed contractor and consultants, and is subject to, inter alia, the approval of relevant authorities, compliance with regulatory requirements, and satisfactory completion of all pre-development conditions.

21. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2025: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group has provided an allowance of RM1.4 mil (2025: RM1.5 mil) for the impairment of trade receivables.

Movement in allowance accounts:

	Group	
	As at 30-Jun-26 RM'000	**As at 31-Dec-25 RM'000**
At 1 January	1,522	1,835
Provision for expected credit losses	30	256
Reversal of expected credit losses	(142)	(516)
Written off	-	(53)
At 30 June/31 December	1,410	1,522

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

22. Borrowings and debt securities as at the end of the reporting period

Details of the Group's borrowings as at 30 June 2026 and 31 December 2025 are as follows:

	Long term	Short term	Total borrowings
As at 30 June 2026	**RM'000**	**RM'000**	**RM'000**
Secured			
Bank loans	391,369	44,382	435,751
Obligation under hire purchase	6,409	3,216	9,625
	397,778	47,598	445,376
Unsecured			
Bank loans	-	31,883	31,883
	397,778	79,481	477,259
As at 31 December 2025			
Secured			
Bank loans	402,461	49,991	452,452
Obligation under hire purchase	8,186	3,390	11,576
	410,647	53,381	464,028

23. Summary of off balance sheet financial instruments by type and maturity profile

The Group did not enter into any contract involving off balance sheet financial instruments during the financial period ended 30 June 2026.

24. Changes in material litigations (including status of any pending material litigation) since the last annual balance sheet date

a) Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT Rafi Kamajaya Abadi ("PT RKA")

On 27 December 2021, PT RKA received lawsuit claims from the Ministry of Environment and Forestry of Indonesia for the alleged violation against the laws and regulations related to fire incident occurred in PT RKA's plantation in year 2019. The total claims filed by the Ministry of Environment and Forestry is Indonesia Rupiah ("Rp") 1,001,844,350,959 (approximately RM293,669,525), as follows:

- Total damages claimed amounting to Rp270,807,710,959 (approximately RM79,381,562) relating to compensation cost for environment impact verification, loss of ecology and loss of economy; and

- Total compensation claimed amounting to Rp731,036,640,000 (approximately RM214,287,963) relating to costs of make good, reactivate the affected ecology system, repair and redevelop hydrology system, revegetation and monitoring.

During the first hearing of the case at District Court of Sintang on 10 January 2022, the parties have agreed to refer this legal case under mediation process for amicable settlement. However, the mediation which was held on 17 January 2022, could not reach any settlement between the parties. Both parties have agreed to put this legal case into full trial.

24. Changes in material litigations (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)

a) Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT Rafi Kamajaya Abadi ("PT RKA") (cont'd.)

During the hearing held on 31 January 2022, the Court had directed as follows:

i. PT RKA to file its statement of defence and counter claim on 14 February 2022;
ii. PT RKA to file reply to defence and counter claim on 21 February 2022; and
iii. PT RKA to file its reply to the Plaintiff's reply to defence and counter claim on 1 March 2022.

The District Court of Sintang had on 8 August 2022 delivered its decision on the case as follows:

The Court rejected the PT RKA's claims on the followings:

a. For PT RKA to stop all its activities on the affected land area until the full and final disposal of the case; and
b. For PT RKA to pay compensation of Rp50,000 for every affected oil palm tree.
    i. PT RKA is responsible on the loss due to the fire incident based on the 'strict liability' principle.
    ii. PT RKA is to pay a compensation of Rp270,807,710,959 (approximately RM81,242,313) for the environmental loss to the National Account of Indonesia as per the claim by the Plaintiff.
    iii. PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of Rp646,216,640,000 (approximately RM193,864,992) as per the claim by the Plaintiff.

The Court has also fixed tentative hearing dates as follows:

i. 7 March 2022 (adjourned);
ii. 24 March 2022 (adjourned);
iii. 31 March 2022 (adjourned);
iv. 14 April 2022 for Plaintiff to produce its documentary evidence;
v. 25 April 2022 for parties to produce any additional documentary evidence;
vi. 9 May 2022 for the examination of the Plaintiff's witnesses;
vii. 23 May 2022 for the examination of the Plaintiff's witnesses;
viii. 11 July 2022 for the parties to file its submission of the case;
ix. 25 July 2022 for the decision of the case; and
x. 8 August 2022 for the decision of the case.

PT RKA then appealed against the decision of the District Court of Sintang to High Court of Pontianak. The High Court of Pontianak had on 27 October 2022 decided as follows:

i. PT RKA is responsible on the loss due to the fire incident based on the 'strict liability' principle.
ii. PT RKA is to pay a compensation of Rp188,977,440,000 (approximately RM53,504,371) for the environmental loss to the National Account of Indonesia as per the claim.
iii. PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of Rp731,036,640,000 (Approximately RM206,975,266).

On 18 November 2022, PT RKA has filed an appeal against the above decision of the High Court of Pontianak to the Supreme Court of Indonesia in Jakarta.

24. Changes in material litigations (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)

a) Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT Rafi Kamajaya Abadi ("PT RKA") (cont'd.)

On 2 November 2023, PT RKA was officially served with the decision of the Supreme Court that the Court rejected the appeal and upheld the decision of Pengadilan Tinggi Pontianak as follows:

i. PT RKA is to pay a compensation of Rp88,977,440,000 (approximately RM56,677,646) for the environmental loss to the National Account of Indonesia as per the claim by the Respondent; and
ii. PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of Rp731,036,640,000 (approximately RM219,250,698).

Subsequently, PT RKA had on 12 June 2024 filed a judicial review against the above decision. Through a series of negotiations, PT RKA had on 8 July 2025 signed a Kesepakatan Bersama with the KLH to voluntarily execute the decision of the Supreme Court of Indonesia and pay a cash penalty of IDR188,977,440,000 (approximately RM48,066,000 million) by 30 September 2025 and submitting a 3-year blueprint within 90 days to KLH on plans to rehabilitate 2,560 ha of land affected by the fire incident. Upon payment of the cash penalty, KLH will authorise the relevant authority to have PT RKA's Sistem Administrasi Badan Hukum ("SABH") reactivated accordingly.

On 29 September 2025, PT RKA paid the cash penalty of IDR188,977,440,000 to the Government of Indonesia through its Kementerian Kewangan and PT RKA's SABH has been reactivated accordingly. PT RKA is currently working with the consultant for the rehabilitation program.

(b) Tax dispute under PT RKA

In previous financial year, PT RKA received the tax assessment letter dated 3 January 2025 from Director General of Taxes ("DGT") in relation for corporate tax assessment for fiscal year 2021. The tax assessment increase the taxable amount of PT RKA by Rp216,343,928,745 (approximately RM56,167,000) which can be offset against the outstanding carry forward fiscal losses amounted to Rp 302,969,196,638 (approximately RM78,657,000).

On 20 February 2025, PT RKA has filed an objection to the DGT. On 24 December 2025, PT RKA received the decision on the objection from DGT that the taxable amount was revised to Rp212,637,468,615 (approximately RM55,205,000).

PT RKA has filed an Appealed Letter to the Tax Court. The first hearing of the appeal was on 16 July 2026 for the verification of documents. The Court has also fixed 6 August 2026 for the Second Hearing of the Appeal.

Based on the legal opinion, lawyer is of the view that there is a misapplication of tax law and regulation by the DGT that would result in incorrect position of taxable amount of PT RKA and there is medium to high probability of wining the case. Hence, in the event that PT RKA subject to additional taxable amount, there is sufficient unabsorbed business losses to offset against the additional taxable amount.

25. Earning/(loss) per share

Basic earning/(loss) per share amounts are calculated by dividing profit/(loss) for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30-Jun-26 RM'000	Preceding Quarter Ended 30-Jun-25 RM'000	Current Quarter To date 30-Jun-26 RM'000	Preceding Quarter To date 30-Jun-25 RM'000
Profit/(loss) for the financial period attributable to owners of the parent used in the computation of basic loss per share	14,658	1,757	8,874	(15,899)
Less: Profit for the financial period from discontinued operation, attributable to owners of the parent	(4,571)	(3,753)	(7,854)	(7,904)
Profit/(loss) for the financial period from continuing operations attributable owners of the parent used in the computation of basic loss per share	10,087	(1,996)	1,020	(23,803)
	30-Jun-26 number of ordinary shares '000	**30-Jun-25 number of ordinary shares '000**	**30-Jun-26 number of ordinary shares '000**	**30-Jun-25 number of ordinary shares '000**
Weighted average number of ordinary shares in issue for basic earnings/(loss) per share computation	1,722,881	1,722,881	1,722,881	1,722,881
Earning/(loss) per share attributable to owners of the parent:				
Basic earnings/(loss) per share (sen)	0.86	0.10	0.52	(0.92)
- continuing operations	0.59	(0.12)	0.06	(1.38)
- discontinued operation	0.27	0.22	0.46	0.46

26. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 August 2026.

BY ORDER OF THE BOARD

WAN MUHAMMAD AKMAL BIN WAN ZAWAWI
Company Secretary

Kuala Terengganu
18 August 2026