ECOBUILT

EcoBuilt Holdings Bhd
Registration No. 200301033338 (635759-U)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.	
No. of shares held:	

* I/We,____ Tel: ____________________
[FULL NAME IN BLOCK, NRIC/PASSPORT/COMPANY NO.]

of ____
(FULL ADDRESS)

being member(s) of **ECOBUILT HOLDINGS BERHAD**, hereby appoint:-

Full Name *(in Capital Letters)*	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or (delete as appropriate)

Full Name *(in Capital Letters)*	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf the Annual General Meeting of the Company ("**AGM**"), at Nazrin Hassan Hall, WORQ Subang Jaya (Event Hall), Unit 2-1, Level 2, The Podium, Tower 3, UOA Business Park 1, Jalan Pengaturcara, Seksyen, U1/51a, 40150 Shah Alam, Selangor, Malaysia on Friday, 28 August 2026 at 3.00 p.m., or at any adjournment thereof, and to vote as indicated below:-

Item	Agenda	FOR	AGAINST
1.	To re-elect Mr Lee Kuan Vun as Director of the Company.		
2.	To re-elect Mr Ooi Chok Wei as Director of the Company.		
3.	To re-elect Mr Tee Jing Kwan as Director of the Company.		
4.	To re-elect Ms Kunamony A/P S.Kandiah as Director of the Company.		
5.	To re-elect Mr Ho Pui Hold as Director of the Company.		
6.	To approve the payment of Directors' Fees and Benefits Payable to the Directors.		
7.	To re-appoint PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016.		
9.	Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature.		

* *Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.*

____
*Signature of Shareholder/ Common Seal
Contact Details:

Dated this ________ day of ______________ 2026

* Manner of execution:

(a) If you are an individual member, please sign where indicated.
(b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the constitution of your corporation.
(c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your company (if any) and executed by:
 (i) at least two (2) authorised officers, of whom one shall be a director; or
 (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Fold here for sealing

NOTES:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 August 2026 shall be eligible to attend the AGM.*
2. *A member entitled to attend, participate, speak and vote at the meeting is entitled to appoint a proxy to attend, participate, speak and vote in his/her stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.*
3. *A member may appoint more than one (1) proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.*
4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.*
6. *The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power of authority, must be deposited at the Company's Registered Office at Synergy Professionals Group Sdn. Bhd., Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof. All resolutions set out in this notice of Meeting are to be voted on by poll.*

Fold along this line (1)

Affix
Stamp
Here

The Registered Office

EcoBuilt Holdings Bhd

Registration No. 200301033338 (635759-U)

Unit 11.07, Amcorp Tower,
Amcorp Trade Centre,
18, Persiaran Barat,
46050 Petaling Jaya,
Selangor

Fold along this line (2)

Personal data privacy:-

*By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, speak and vote at the AGM and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

Ecobuilt Holdings Berhad

Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

Reports and Financial Statements For The Financial Period Ended 28 February 2026

(In Ringgit Malaysia)

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

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ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial period ended 28 February 2026.

Principal activities

The principal activities of the Company are investment holding and provision of management services to its subsidiaries.

The principal activities of the subsidiaries are set out in Note 16 to the financial statements.

Change of financial year end

During the financial period, the Group and the Company changed their financial year end from 31 August to 28 February. Accordingly, the current financial period covers a period of eighteen (18) months, from 1 September 2024 to 28 February 2026. Consequently, the comparative amounts in the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows and related notes to the financial statements are not comparable.

Financial results

	Group RM	Company RM
Loss for the financial period attributable to:		
Owners of the Company	7,617,791	54,186,007

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial period except as disclosed in the financial statements.

Dividends

No dividend has been paid, declared or proposed since the end of the previous financial period. The Directors do not recommend any dividends for the current financial period ended 28 February 2026.

DIRECTORS' REPORT

Directors

The Directors who have held office during the financial period and up to the date of this report are:

Dato' Noordin Bin Sulaiman
Lee Kuan Vun (Appointed on 6 February 2025)
Ooi Chok Wei (Appointed on 4 March 2026)
Kunamony A/P S. Kandiah (Appointed on 19 May 2026)
Tee Jing Kwan (Appointed on 19 May 2026)
Ho Pui Hold (Appointed on 29 May 2026)
Dato' Mohd Ibrahim bin Nor (Appointed on 9 December 2024 and resigned 1 June 2026)
Chang Chen Seng (Appointed on 6 February 2025 and resigned on 30 January 2026)
Lim Chin Yen (Appointed on 6 February 2025 and resigned 20 June 2025)
Wong Hui Liang (Appointed on 29 October 2025 and resigned on 19 May 2026)
Datuk Ong Chee Koen (Resigned on 9 December 2024)
Dato Indera Tun Putera Matin Ahmad Shah bin Munir (Retired on 5 February 2025)
Datuk Ng Seing Liong (Resigned on 6 February 2025)
Ng Choon Keith (Resigned on 6 February 2025)
Loh Poh Im (Resigned on 1 September 2025)

Pursuant to Section 253 of the Companies Act, 2016 in Malaysia, the Directors of the subsidiaries during the financial period and up to date of this report, who are not also Directors of the Company, are as follows:

Tan Ting Hong
Kua Che Leang (Appointed on 28 May 2025)

Directors' interests in shares

According to the Register of Directors' Shareholding kept under Section 59 of the Companies Act, 2016, none of the Directors holding office during the financial period had any direct or indirect interest in the ordinary shares of the Company and its related corporations during the financial period.

Directors' benefits

Since the end of the previous financial period, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the financial statements or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 26 to the financial statements.

There were no arrangements during and at the end of the financial period, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Directors' remuneration

The remuneration paid to or receivable by the Directors of the Group and Company during the financial period is amounted to RM813,555 and RM290,000 respectively.

Indemnity and insurance for Directors, officers and auditors

There was no indemnity given to or liability insurance effected for any Director, officer or auditor of the Group or of the Company during the financial period.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 16 to the financial statements.

Issues of shares and debentures

The Company did not issue any new shares or debentures during the financial period.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial period.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(ii) any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts, or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

As at the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial period.

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial period which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial period ended 28 February 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial period the date of this report.

Significant event

Details of significant event is disclosed in Note 32 to the financial statements.

Auditors

The auditors, PKF PLT, have indicated their willingness to continue in office.

During the financial period, the total amount of fees paid to or receivable by the auditors as remuneration for their services as auditors of the Group and of the Company amounted to RM178,753 and RM112,020 respectively.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

DATO' NOORDIN BIN SULAIMAN
Director

TEE JING KWAN
Director

Dated 30 June 2026

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

In the opinion of the Directors, the accompanying financial statements set out on pages 14 to 68 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 28 February 2026 and of their financial performance and cash flows for the financial period ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

DATO' NOORDIN BIN SULAIMAN
Director

TEE JING KWAN
Director

Dated 30 June 2026

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT, 2016

I, MD HARRIS BIN MD TAIB, being the officer primarily responsible for the financial management of ECOBUILT HOLDINGS BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 14 to 68 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960 in Malaysia.

Subscribed and solemnly declared by)
the abovenamed MD HARRIS BIN MD TAIB)
at Subang Jaya in the state of)
Selangor Darul Ehsan on 30 June 2026)

MD HARRIS BIN MD TAIB

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of ECOBUILT HOLDINGS BERHAD, which comprise the statements of financial position as at 28 February 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 14 to 68.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 28 February 2026, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Qualified Opinion

Included in the Group's trade payables are long outstanding balances amounted to RM3,459,117 and RM26,091,656 as at 28 February 2026 and 31 August 2024, respectively, for which we were unable to obtain external confirmations from the respective creditors, and no satisfactory alternative audit procedures were able to be performed pertaining to these balances. Accordingly, we were unable to obtain sufficient appropriate audit evidence to determine whether these balances were fairly stated in respect of their existence, completeness and accuracy.

In addition, we noted discrepancies between certain trade payable balances as per the creditors' statements obtained during our audit and the corresponding amounts recorded in the financial statements of the Group. Our verification to the creditors' statements indicated possible understatement of RM7,258,336 and possible overstatement of RM5,515,418 on the trade payable balances of the Group as at 28 February 2026, and possible understatement of RM8,451,392 and possible overstatement of RM2,263,985 on the trade payable balances of the Group as at 31 August 2024 for which these differences could not be satisfactorily reconciled or explained by the Management.

Consequently, we were unable to determine whether any adjustments might be necessary in respect of the trade payables as at 28 February 2026, or whether there was any consequential effect on the comparability of the current year's figures and the corresponding figures.

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

(continued)

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(b) in the financial statements, which indicates that the Group incurred a net loss of RM7,617,791 during the financial period ended 28 February 2026 and, as of that date, the Group's current liabilities exceeded its current assets by RM2,082,979. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence on the trade payable balances of the Group. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (continued)

Area of focus	How our audit addressed the key audit matter
Group	
Revenue recognition on construction contracts	
As disclosed in Note 5 to the financial statements, the Group recognised revenue from construction contracts of RM127,089,415 during the financial period, which contributed to the entire of the Group's total revenue. Revenue from construction contracts is recognised progressively over time using either the output method, i.e. based on the value of work certified or the input method, i.e. cost-to-cost method, based on the proportion of the actual costs incurred relative to the estimated total costs. Revenue recognition on construction contracts was considered to be a key audit matter because significant judgement and estimation were involved in determining the stage of completion, estimating total contract costs, and assessing the profitability of contracts, including the needs to recognise any foreseeable losses.	Our audit procedures included, among others: • agreeing the total contract sum to the original signed letter of awards of the contracts; • assessing the variable considerations relating to liquidated ascertained damages; and • assessing the adequacy of provision of foreseeable losses for loss-making contracts. <u>Contracts using output method</u> • checking to the certified claims approved by the independent engineering firms appointed by the contract customers. <u>Contracts using input method</u> • assessing the reasonableness of estimated total contract costs by testing costs incurred to date to supporting documentation; • agreeing significant cost components to supporting documentation, including contracts and quotations from subcontractors; and • evaluating the reasonableness of management's basis and assumptions for other estimated costs not directly supported by contracts and quotations.

(continued)

Key Audit Matters (continued)

Area of focus	How our audit addressed the key audit matter
Group	
Impairment on goodwill	
As disclosed in Note 15 to the financial statements, the Group's goodwill amounted to RM22,500,000 as at 28 February 2026. In accordance with MFRS 136 Impairment of Assets, goodwill is tested annually for impairment by comparing its carrying amount to its recoverable amount. The Group determined the recoverable amount based on fair value less costs of disposal ("FVLCD"), taking into consideration an indicative offer from a prospective buyer as evidenced by a letter of intent ("LOI") and an associated deposit. Significant judgment was required in assessing whether this indicative offer is representative of fair value, particularly given the conditional and non-binding nature of the letter of intent, and the uncertainty over the completion of the proposed transaction. Due to the materiality of the goodwill balance and the estimation uncertainty involved in determining its recoverable amount, this matter was considered a key audit matter.	Our audit procedures included, among others: • assessed the appropriateness of using the indicative letter of intent as a basis for determining the fair value less cost of disposal; • inspected the terms and conditions of the letter of intent, including the offered price, conditionality, and non-binding nature; • considered the financial capability, independence, and credibility of the buyer and evaluate whether the transaction was negotiated on an arm's length basis; • assessed management's evaluation of whether the indicative offer is representative of fair value; and • reviewed developments relating to the proposed transaction after the reporting date, including any changes to the indicative offer price.
Valuation of trade receivables	
As disclosed in Note 19 to the financial statements, the Group has trade receivables amounted to RM53,483,316 which represents 33% of the Group's total assets and is exposed to significant credit risk arising from its trade receivables. Furthermore, the expected credit losses of trade receivables are subject to significant estimation uncertainties in analysing historical bad debts, customer creditworthiness and customer payment terms.	Our audit procedures included, among others: • obtained confirmation of balances from selected contract customers; • examined subsequent receipts of the contract customers to assess the recoverability of outstanding balances; • assessed the basis of computation of expected credit losses by management, including the reasonableness of the assumptions and input data used, particularly for individually significant exposures; • reviewed the ageing analysis of receivables and testing the reliability thereof; and • evaluated the reasonableness and adequacy of the allowance for impairment recognised for identified exposures.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

(continued)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(i) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
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(continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

(ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(iv) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(v) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

(continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that in our opinion, we have not obtained all the information and explanations that we required.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report. The financial statements of the Group and of the Company as at 31 August 2024 were audited by another auditor whose report dated 31 December 2024, expressed a qualified opinion.

PKF PLT	CHAU MAN KIT
202206000012 (LLP0030836-LCA) & AF0911	02525/03/2028 J
CHARTERED ACCOUNTANTS	CHARTERED ACCOUNTANT

Kota Kinabalu

Dated 30 June 2026

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2026

		Group		Company	
			Restated		Restated
	Note	1.9.2024 to 28.2.2026 RM	1.6.2023 to 31.8.2024 RM	1.9.2024 to 28.2.2026 RM	1.6.2023 to 31.8.2024 RM
Revenue	5	127,089,415	197,547,501	-	-
Cost of sales		(106,466,299)	(218,087,927)	-	-
Gross profit/(loss)		20,623,116	(20,540,426)	-	-
Other operating income	6	1,393,953	4,352,863	63,473	331,917
Administrative expenses		(8,503,699)	(9,127,309)	(1,491,605)	(1,593,499)
Allowance for expected credit losses		(6,138,970)	(17,537,569)	(15,634,042)	-
Impairment on investments in subsidiaries		-	-	(37,123,833)	(42,643,117)
Impairment on intangible assets		(5,888,284)	-	-	-
Profit/(Loss) from operations		1,486,116	(42,852,441)	(54,186,007)	(43,904,699)
Finance costs	9	(560,126)	(755,678)	-	-
Profit/(Loss) before taxation	10	925,990	(43,608,119)	(54,186,007)	(43,904,699)
Income tax expense	11	(8,543,781)	5,186,995	-	(7,366)
Loss for the financial period		(7,617,791)	(38,421,124)	(54,186,007)	(43,912,065)
Other comprehensive (loss)/income					
Fair value (loss)/gain on financial assets at fair value through other comprehensive income		(2,411,750)	399,250	-	-
Other comprehensive (loss)/income for the financial period		(2,411,750)	399,250	-	-
Total comprehensive loss for the financial period		(10,029,541)	(38,021,874)	(54,186,007)	(43,912,065)
Loss per share attributable to owners of the Company (sen per share)					
Basic and diluted	12	(1.81)	(9.13)		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026

		Group		Company	
			Restated		
		28.2.2026	31.8.2024	28.2.2026	31.8.2024
ASSETS	**Note**	**RM**	**RM**	**RM**	**RM**
Non-current assets					
Property, plant and equipment	13	8,319,027	11,207,258	5,629,805	5,629,805
Right-of-use assets	14	-	-	-	-
Intangible assets	15	22,500,000	28,388,284	-	-
Investments in subsidiaries	16	-	-	750,000	37,123,833
Other investment	17	9,427,750	11,839,500	-	-
Deferred tax asset	18	-	8,296,621	-	-
		40,246,777	59,731,663	6,379,805	42,753,638
Current assets					
Trade and other receivables	19	120,270,737	118,318,222	4,415	17,034,183
Tax recoverable		645,833	2,952,283	172,706	172,706
Cash and bank balances	20	2,177,243	704,581	9,935	24,103
		123,093,813	121,975,086	187,056	17,230,992
TOTAL ASSETS		163,340,590	181,706,749	6,566,861	59,984,630
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	21	32,957,880	67,957,880	32,957,880	67,957,880
Fair value reserve	22	(3,210,250)	(798,500)	-	-
Retained profits/(Accumulated losses)	23	7,127,430	(20,254,779)	(28,202,406)	(9,016,399)
Total equity		36,875,060	46,904,601	4,755,474	58,941,481
Non-current liability					
Loan and borrowings	24	1,288,738	2,718,363	-	-
Current liabilities					
Trade and other payables	25	121,692,327	127,229,769	1,811,387	1,043,149
Loan and borrowings	24	3,095,833	4,854,016	-	-
Taxation		388,632	-	-	-
		125,176,792	132,083,785	1,811,387	1,043,149
Total liabilities		126,465,530	134,802,148	1,811,387	1,043,149
TOTAL EQUITY AND LIABILITIES		163,340,590	181,706,749	6,566,861	59,984,630

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

		Attributable to the owners of the Company			
		Non-distributable			
		Share capital	Fair value reserve	(Accumulated losses)/ Retained profits	Total equity
Group	**Note**	**RM**	**RM**	**RM**	**RM**
At 1 September 2024, as restated		67,957,880	(798,500)	(20,254,779)	46,904,601
Loss for the financial period		-	-	(7,617,791)	(7,617,791)
Other comprehensive loss					
- Fair value loss on financial assets at fair value through other comprehensive income		-	(2,411,750)	-	(2,411,750)
Total comprehensive loss for the financial period		-	(2,411,750)	(7,617,791)	(10,029,541)
Transaction with owners of the Company					
Share capital reduction	21	(35,000,000)	-	35,000,000	-
		(35,000,000)	-	35,000,000	-
At 28 February 2026		32,957,880	(3,210,250)	7,127,430	36,875,060

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

		Attributable to the owners of the Company			
		Non-distributable			
Group	**Note**	**Share capital RM**	**Fair value reserve RM**	**Retained profits/ (Accumulated losses) RM**	**Total equity RM**
At 1 June 2023					
- As previously reported		67,957,880	(1,551,000)	15,377,995	81,784,875
- Prior year adjustment	34	-	-	3,141,600	3,141,600
At 1 June 2023, as restated		67,957,880	(1,551,000)	18,519,595	84,926,475
Loss for the financial period					
- As previously reported		-	-	(44,476,396)	(44,476,396)
- Prior year adjustment	34			6,055,272	6,055,272
				(38,421,124)	(38,421,124)
Other comprehensive income					
- Fair value gain on financial assets at fair value through other comprehensive income		-	399,250	-	399,250
Total comprehensive loss for the financial period		-	399,250	(38,421,124)	(38,021,874)
Realisation of fair value on financial assets		-	353,250	(353,250)	-
At 31 August 2024, as restated		67,957,880	(798,500)	(20,254,779)	46,904,601

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

		← Attributable to the owners of the Company →		
		← Non-distributable →		
Company	**Note**	**Share capital RM**	**Retained profits/ (Accumulated losses) RM**	**Total equity RM**
At 1 June 2023		67,957,880	34,895,666	102,853,546
Non-owner changes in equity				
Total comprehensive loss for the financial period		-	(43,912,065)	(43,912,065)
At 31 August 2024		67,957,880	(9,016,399)	58,941,481
Non-owner changes in equity				
Total comprehensive loss for the financial period		-	(54,186,007)	(54,186,007)
Transaction with owners of the Company				
Share capital reduction	21	(35,000,000)	35,000,000	-
At 28 February 2026		32,957,880	(28,202,406)	4,755,474

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

		Group		Company	
			Restated		Restated
		1.9.2024 to 28.2.2026	1.6.2023 to 31.8.2024	1.9.2024 to 28.2.2026	1.6.2023 to 31.8.2024
Cash flows from operating activities	**Note**	**RM**	**RM**	**RM**	**RM**
Profit/(Loss) before taxation		925,990	(43,608,119)	(54,186,007)	(43,904,699)
Adjustments for:					
Depreciation of property, plant and equipment		2,936,651	5,803,101	-	22,462
Depreciation of right-of-use assets		-	19,047	-	-
Gain on disposal of property, plant and equipment		-	(1,024,008)	-	(331,132)
Impairment loss on intangible asset		5,888,284	-	-	-
Impairment loss on investment in subsidiaries		-	-	37,123,833	42,643,117
Interest expenses		560,126	755,678	-	-
Interest income		-	(6,227)	-	(785)
Net expected credit losses		6,138,970	17,537,569	15,634,042	-
Property, plant and equipment written off		-	450,398	-	-
Provision of liquidated ascertained damages		-	15,835,500	-	-
Trade and other receivables written off		-	3,513,489	-	15,472
Waiver of debt		-	(2,079,299)	-	-
Operating profit/(loss) before working capital changes		16,450,021	(2,802,871)	(1,428,132)	(1,555,565)
Changes in receivables		24,606,778	(22,578,727)	1,395,726	649,665
Changes in payables		(38,235,705)	24,255,300	768,238	(941,323)
Cash from/(used in) operations		2,821,094	(1,126,298)	735,832	(1,847,223)
Income tax paid		(24,982)	-	-	(41,541)
Income tax refunded		2,472,904	74,171	-	-
Interest paid		(560,126)	(755,678)	-	-
Interest received		-	6,227	-	785
Net cash from/(used in) operating activities		4,708,890	(1,801,578)	735,832	(1,887,979)

(forward)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

(continued)	Note	Group 1.9.2024 to 28.2.2026 RM	Group 1.6.2023 to 31.8.2024 RM	Company 1.9.2024 to 28.2.2026 RM	Company 1.6.2023 to 31.8.2024 RM
Cash flows from investing activities					
Acquisition of property, plant equipment*		(48,420)	(127,242)	-	-
Investment in subsidiaries		-	-	(750,000)	-
Placement in short-term deposits		-	(5,442)	-	-
Proceeds from disposal property, plant and equipment		-	2,394,901	-	1,300,000
Proceeds from disposal of other investment		-	2,001,750	-	-
Net cash (used in)/from investing activities		(48,420)	4,263,967	(750,000)	1,300,000
Cash flows from financing activities					
Repayment of lease liabilities		(1,617,780)	(3,303,589)	-	-
Repayment of term loan		(87,733)	(99,042)	-	-
Net cash used in financing activities		(1,705,513)	(3,402,631)	-	-
Net increase/(decrease) in cash and cash equivalents		2,954,957	(940,242)	(14,168)	(587,979)
Cash and cash equivalents at beginning of financial period		(2,984,347)	(2,044,105)	24,103	612,082
Cash and cash equivalents at end of financial period	20	(29,390)	(2,984,347)	9,935	24,103

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ECOBUILT HOLDINGS BERHAD
Registration No: 200301033338 (635759-U)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

(continued)

Non-cash transactions

* Acquisition of property, plant and equipment

During the financial period, the Group acquired property, plant and equipment with an aggregate cost of RM48,420 (2024: RM590,242) of which RMNil (2024: RM463,000) were acquired by means of leases. Cash payments of RM48,420 (2024: RM127,242) were made to acquire property, plant and equipment.

Reconciliation of liabilities arising from financing activities

28.2.2026	**1 September RM**	**Cash flows RM**	**Non-cash changes** RM**	**28 February RM**
Lease liabilities	2,844,553	(1,617,780)	-	1,226,773
Term loan	1,219,985	(87,733)	-	1,132,252
	4,064,538	(1,705,513)	-	2,359,025
31.8.2024				
Lease liabilities	5,685,142	(3,303,589)	463,000	2,844,553
Term loan	1,319,027	(99,042)	-	1,219,985
	7,004,169	(3,402,631)	463,000	4,064,538

** Included in non-cash changes of lease liabilities of the Group is non-cash acquisition of lease liabilities amounted to RMNil (2024: RM463,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

1. General information

The Company is a public limited liability company that is incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 16 to the financial statements.

The registered office and principal place of business of the Company are located at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18 Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor, Malaysia and S-10-01C, Level 10 First Subang, Jalan SS15/4G, 47500 Subang Jaya, Selangor, Malaysia respectively.

These financial statements were authorised for issue by the Directors in accordance with a resolution of the Board of Directors dated 30 June 2026.

2. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

(b) Basis of measurement

The material accounting policies adopted by the Group and the Company are consistent with those adopted in previous financial period unless otherwise stated.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies.

The financial statements are also prepared on the going concern basis. However, the Group incurred a net loss of RM7,617,791 during the financial period ended 28 February 2026 and as at that date, the Group's current liabilities exceeded its current assets by RM2,082,979.

2. Basis of preparation (continued)

(b) Basis of measurement (continued)

These events and conditions cast significant doubt on the Group's ability to continue as a going concern. Management has considered the following plans and assumptions in assessing the appropriateness of the going concern basis of preparation:

- the expected future revenue and cash flows from the Group's ongoing construction contracts, for which the aggregate amount of the transaction price allocated to unsatisfied or partially unsatisfied performance obligations as at 28 February 2026 amounted to RM185,376,014, as disclosed in Note 5 to the financial statements; and

- the successful implementation of the scheme of arrangement with creditors, as disclosed in Note 32 to the financial statements by the subsidiaries, namely, Rexallent Constructions Sdn. Bhd. and Eko Bina Sdn. Bhd.; or

Notwithstanding the above, the achievement of the expected profitability and cash flows from the ongoing construction contracts remains subject to uncertainty, including inflationary pressures and rising costs, and the implementation of the scheme of arrangement is also subject to approval by the creditor and sanction by the Court.

In addition, a letter of intent in relation to the proposed disposal of subsidiaries, namely, Rexallent Constructions Sdn. Bhd. and Eko Bina Sdn. Bhd., has been received from a third party and a refundable deposit has been placed with a solicitor. However, the proposed transaction remains at a preliminary stage as it is subject to approval by the Board of Directors and shareholders and the finalisation of terms. The successful disposal of the subsidiaries is expected to address the conditions that cast significant doubt on the Group's ability to continue as a going concern.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

(c) Functional and presentation currency

The financial statements are prepared in Ringgit Malaysia (RM) which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

2. Basis of preparation (continued)

(d) Adoption of new and revised MFRS

During the financial period, the Group and the Company have adopted the following amendments to standard issued by the MASB that are mandatory for current financial period:

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

The adoption of the amendments to standard did not have any significant impact on the financial statements of the Group and of the Company.

(e) Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but not yet effective for 28 February 2026 reporting periods and have not been early adopted by the Group and the Company. These standards are not expected to have a material impact on the financial statements of the Group and of the Company in the current or future reporting periods.

3. Significant accounting judgements and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which could have a significant effect on the amounts recognised in the consolidated financial statements.

Operating segments

The segments disclosed in Note 30 to the financial statements have been determined by distinguishing the business activities from which the Group earns revenues and incurs expenses. The economic characteristics of the operating segments have been reviewed and operating segments have been grouped based on the reporting made to the chief operating decision maker.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

3. **Significant accounting judgements and estimates** (continued)

(b) **Key sources of estimation uncertainty** (continued)

(i) **Measurement of revenue and expenses in construction contracts**

The Group applies the percentage of completion method to account for all of its construction contracts with customers. This method requires reliable estimation of future outcomes that invariably must rely on estimates of stage completion, future revenues, future costs, and collectability of progress billings. Internal budgets and forecasts are used in these estimates. The actual outcome will only be known when a contract project is completed and this actual outcome may not coincide with the estimates made.

(ii) **Depreciation of property, plant and equipment**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. The management estimates the useful lives of the property, plant and equipment to be within five (5) to fifty (50) years. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) **Income taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(iv) **Impairment of property, plant and equipment**

The Group reviews the carrying amount of property, plant and equipment at each reporting date to assess whether there is any indication of impairment. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal ("FVLCD") and its value in use ("VIU").

3. Significant accounting judgements and estimates (continued)

(b) Key sources of estimation uncertainty (continued)

(iv) Carrying value of investments in subsidiaries

Investments in subsidiaries are reviewed for impairment annually in accordance with its accounting policy as disclosed in Note 4(k)(ii) to the financial statements, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Significant judgement is required in the estimation of the recoverable amount which is based on the net tangible assets of the 0subsidiaries.

(v) Deferred tax assets and liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the statement of profit or loss and other comprehensive income in the period in which actual realisation and settlement occurs.

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax credits and unutilised tax losses to the extent that it is probable that taxable profit will be available against which these items can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of recognised and unrecognised deferred tax assets are disclosed in Note 11 to the financial statements.

Assumptions about generation of future taxable profits would depend on the achievability of projected profits and this requires judgement of the management. These assumptions and judgement are subject to risks and uncertainty, hence there is possibility that changes in circumstances will alter expectations, which may impact on the amount of deferred tax assets recognised.

3. Significant accounting judgements and estimates (continued)

(b) Key sources of estimation uncertainty (continued)

(vi) **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) **Leases**

The measurement of the right-of-use asset and lease liability for leases where the Group is lessee requires the use of judgements and assumptions, such as lease term and incremental borrowing rate. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The incremental borrowings rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

4. Material accounting policies

The Group and the Company disclose material accounting policy information in the notes to the financial statements.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

4. Material accounting policies

(a) Basis of consolidation (continued)

Subsidiaries

Subsidiaries are entities controlled by the Company. The results of subsidiaries are consolidated from the date on which control is obtained until the date on which control ceases.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(b) Revenue recognition

(i) **Revenue from construction contracts**

Revenue from construction contracts is recognised over time when the Group's performance creates or enhances an asset that is controlled by the customer. The Group measures progress towards complete satisfaction of the performance obligation using a method that best depicts the transfer of control to the customer, which may include an output method based on certified work performed or an input method based on costs incurred relative to total estimated costs.

(ii) **Other income**

Revenue from other sources are recognised as follows:

(a) interest income is recognised on a time proportion basis that reflects the effective yield on the assets; and

(b) rental income is accounted for on a straight-line basis over the lease terms.

(c) Employee benefits

(i) **Short term benefits**

Wages and salaries are usually accrued and paid on a monthly basis and are recognised as an expense, unless they relate to cost of producing inventories or other assets.

4. Material accounting policies

(c) Employee benefits (continued)

(i) Short term benefits (continued)

Paid absences (annual leave, maternity leave, paternity leave, sick leave, etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

Bonus payments are recognised when, and only when, the Group and the Company have a present legal or constructive obligation to make such payment as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits (defined contribution plans)

The Group and the Company make statutory contributions to the approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Group and the Company have no further payment obligations.

(d) Tax assets and liabilities

A current tax liability/(asset) is measured at the amount the entity expects to pay/(recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases, subject to the recognition exceptions and the availability of future taxable profits for deferred tax assets.

(e) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares (“EPS”). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

4. Material accounting policies (continued)

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land has an unlimited useful life and therefore is not depreciated.

All other property, plant and equipment are depreciated on a straight-line basis to write off the cost of the plant and equipment over the term of their estimated useful lives. The principal annual rates of depreciation used are as follows:

Buildings	50 years
Cabin	5 years
Plant and machinery	5 years
Furniture, fittings and equipment	5 – 10 years
Motor vehicles	5 years
Renovation	5 – 10 years

The residual values, useful lives and depreciation methods are reviewed at each reporting date and adjusted prospectively, if appropriate.

Each significant part of an item of property, plant and equipment with a different useful life is depreciated separately.

(g) Intangible assets

Goodwill

Goodwill arising on a business combination is measured as the excess of the consideration transferred, the amount of any non-controlling interests and, where applicable, the fair value of any previously held equity interest, over the net fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. Goodwill is not amortised but is tested for impairment annually and whenever there is an indication of impairment.

(h) Contract asset and contract liability

Contract asset is the right to consideration for goods or services transferred to the customers. In the context of construction contracts, contract asset is the excess of cumulative revenue earned over the billings to date.

Contract liability is the obligation to transfer goods or services to the customer for which the Group has received the consideration or billed the customer. In the context of construction contracts, contract liability is the excess of the billings to date over the cumulative revenue earned.

When the total of costs incurred on construction contracts plus recognised profits exceeds progress billings, the balance is classified as contract assets within trade receivables. When progress billings exceed costs incurred on construction contracts plus recognised profits, the balance is classified as contract liabilities within trade payables. Contract asset and contract liability are stated at cost.

4. Material accounting policies (continued)

(i) Financial instruments

(i) Financial assets

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

The Group and the Company only have financial assets at amortised cost (debt instruments).

Financial assets at amortised cost (debt instruments)

The Group's and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

(ii) Financial liabilities

The Group and the Company only have financial liabilities measured at amortised cost.

Financial liabilities measured at amortised cost

The Group's and the Company's financial liabilities measured at amortised cost include trade and other payables and loan and borrowings.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, at banks and short-term, highly liquid investments which are readily convertible to cash with short periods to maturity and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any.

(k) Impairment

(i) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

4. Material accounting policies (continued)

(k) Impairment

(i) Impairment of financial assets (continued)

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments considered to have low credit risk, the Group and the Company apply the low credit risk simplification. At every reporting date, the Group and the Company evaluate whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group and the Company reassess the internal credit rating of the debt instrument.

In addition, the Group and the Company consider that there has been a significant increase in credit risk when contractual payments are more than one (1) year past due. It is the Group's and the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group and the Company consider a financial asset in default when contractual payments are one (1) year past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments that indicate that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

4. Material accounting policies (continued)

(l) Equity instruments

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised as an appropriation of retained profits upon declaration, and are only taken up as liabilities upon the necessary approval being obtained.

(m) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset.

All other borrowings costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

(n) Leases

(i) Classification

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

4. **Material accounting policies** (continued)

(n) **Leases** (continued)

(iii) **Recognition and initial measurement**

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group has elected not to separate non-lease components from lease components and instead account for each lease component and any associated non-lease components as a single lease component for leases of properties in which the Group is a lessee.

The Group has also elected to use the recognition exemption that permits entities not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve (12) months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

When the Group is intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group and applies the exemption described above, then it classifies the sublease as an operating lease.

4. **Material accounting policies** (continued)

(n) **Leases** (continued)

(iv) **Subsequent measurement**

As a lessee

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

(o) **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker ("CODM"), which in this case is the Group Managing Director, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(p) **Fair value measurement**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use unobservable inputs.

4. **Material accounting policies** (continued)

(p) **Fair value measurement** (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

5. **Revenue**

	Group		**Company**	
	1.9.2024 to 28.2.2026 RM	**1.6.2023 to 31.8.2024 RM**	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**
Revenue from contracts with customers				
Construction contracts revenue				
- Third parties	127,089,415	197,547,501	-	-
Timing of revenue recognition				
Over time	127,089,415	197,547,501	-	-

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at 28 February 2026 amounted to RM185,376,014 (2024: RM59,908,787) for which the Group will recognise this revenue over time as and when performance obligations are satisfied, which is expected to occur over the next two years (2024: two years).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

6. Other operating income

	Group		Company	
	1.9.2024 to 28.2.2026 RM	**1.6.2023 to 31.8.2024 RM**	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**
Gain on disposal of property, plant and equipment	-	1,024,008	-	331,132
Interest income	-	6,227	-	785
Miscellaneous income	1,392,453	1,229,159	63,473	-
Rental income of premise	1,500	14,170	-	-
Waiver of debt	-	2,079,299	-	-
	1,393,953	4,352,863	63,473	331,917

7. Employee benefits expense

	Group		Company	
	1.9.2024 to 28.2.2026 RM	**1.6.2023 to 31.8.2024 RM**	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**
Salaries, wages and allowances	10,925,607	6,654,338	290,000	275,100
Contributions to defined contribution plan	575,509	683,100	-	-
Contributions to employment insurance scheme	6,719	60,657	-	-
Social security contributions	60,826	64,765	-	-
	11,568,661	7,462,860	290,000	275,100

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM583,555 (2024: RM385,625) and RM60,000 (2024: RMNil) respectively as further disclosed in Note 8 to the financial statements.

8. Directors' remuneration

The details of remuneration received and receivable by Directors of the Group and of the Company during the financial year are as follows:

	Group		Company	
	1.9.2024 to 28.2.2026	**1.6.2023 to 31.8.2024**	**1.9.2024 to 28.2.2026**	**1.6.2023 to 31.8.2024**
Executive Directors' remuneration (Note 7)	**RM**	**RM**	**RM**	**RM**
- Fee	182,000	385,000	60,000	-
- Salaries and other emoluments	359,043	625	-	-
- Contributions to defined contribution plan	42,512	-	-	-
	583,555	385,625	60,000	-
Non-executive Directors' remuneration				
- Fee	230,000	297,600	230,000	267,600
- Allowance	-	7,500	-	7,500
	230,000	305,100	230,000	275,100
Total Directors' remuneration	813,555	690,725	290,000	275,100

The details of remuneration received and receivable by Directors of the Company during the financial year are as follows:

	Group		Company	
	28.2.2026	**31.8.2024**	**28.2.2026**	**31.8.2024**
Executive Directors' remuneration	**RM**	**RM**	**RM**	**RM**
- Fee	60,000	-	60,000	-
Non-executive Directors' remuneration				
- Fee	230,000	267,600	230,000	267,600
- Other emoluments	-	7,500	-	7,500
	230,000	275,100	230,000	275,100
Total Directors' remuneration	290,000	275,100	290,000	275,100

9. Finance costs

	Group		Company	
	1.9.2024 to 28.2.2026	**1.6.2023 to 31.8.2024**	**1.9.2024 to 28.2.2026**	**1.6.2023 to 31.8.2024**
Interest expenses:	**RM**	**RM**	**RM**	**RM**
- Bank overdraft	275,432	365,512	-	-
- Lease liabilities	164,031	316,619	-	-
- Overdue payables	21,753	-	-	-
- Term loans	98,910	73,547	-	-
	560,126	755,678	-	-

10. Profit/(Loss) before taxation

	Group		Company	
Other than as disclosed in Notes 6 to 9, profit/(loss) before taxation is arrived at after charging:	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**
Auditors' remuneration				
- Statutory audit				
- Current year	92,020	70,750	55,020	26,000
- Under provision in prior year	86,733	51,504	57,000	32,500
Bad debts written off	-	3,153,489	-	15,472
Depreciation of property, plant and equipment (Note 13)	2,936,651	5,803,101	-	22,462
Depreciation of right-of-use assets (Note 14)	-	19,047	-	-
Property, plant and equipment written off (Note 13)	-	450,398	-	-
Provision of liquidated ascertained damages	-	15,835,500	-	-
Trade and other receivables written off	-	3,513,489	-	15,472
Rental expenses on premises*	48,672	12,500	-	-

* Expenses relating to short-term lease and low value assets accounted for by applying the recognition exemption of MFRS 16 Leases and other leases that are not material to the financial statements.

11. Income tax expense

	Group		Company	
	1.9.2024 to 28.2.2026 RM	**1.6.2023 to 31.8.2024 RM**	**1.9.2024 to 28.2.2026 RM**	**1.6.2023 to 31.8.2024 RM**
Current taxation	388,632	-	-	-
Deferred tax	8,296,621	(5,801,844)	-	-
	8,685,253	(5,801,844)	-	-
(Over)/Under provision in prior year				
- Current taxation	(141,472)	7,366	-	7,366
- Deferred tax	-	607,483	-	-
	8,543,781	(5,186,995)	-	7,366

11. **Income tax expense** (continued)

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Company is as follows:

	Group		Company	
	28.2.2026 RM	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
Profit/(Loss) before taxation	925,990	(43,608,119)	(54,186,007)	(43,904,699)
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	222,238	(10,465,949)	(13,004,642)	(10,537,128)
Non-tax deductible expenses	3,331,086	2,580,284	13,004,642	10,537,128
Non-taxable income	(290,942)	(96,000)	-	-
Effect of unrecognised deferred tax assets	5,422,871	2,179,821	-	-
	8,685,253	(5,801,844)	-	-
(Over)/Under provision in prior year				
- Current taxation	(141,472)	7,366	-	7,366
- Deferred tax	-	607,483	-	-
	8,543,781	(5,186,995)	-	7,366

No deferred tax assets have been recognised for the following items:

	Group	
	28.2.2026 RM	**31.8.2024 RM**
Unabsorbed capital allowances	15,029,028	10,101,610
Unutilised tax losses	23,639,011	8,858,821
	38,668,039	18,960,431
Deferred tax assets at 24% (2024: 24%) not recognised in the financial statements	9,280,329	4,550,503

Year of expiry of unutilised tax losses is analysed as follows:

	Group	
	28.2.2026 RM	**31.8.2024 RM**
Expired by 2028	23,639,011	8,858,821

The unabsorbed capital allowances disclosed above are available indefinitely for offsetting against future taxable profits of the Group whereas the unutilised tax losses is available to be carried forward up to the maximum of ten (10) years, subject to no substantial change in shareholdings of these subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

11. **Income tax expense** (continued)

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

12. **Loss per share**

(a) **Basic**

Basic loss per share amounts are calculated by dividing loss for the financial period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

	Group	
	28.2.2026	**31.8.2024**
Loss net of tax attributable to owners of the Company (RM)	(7,617,791)	(38,421,124)
Weighted average number of ordinary shares in issue	420,718,984	420,718,984
Basic loss per share (sen)	(1.81)	(9.13)

(b) **Diluted**

There is no dilution in the loss per share of the current and previous year end as there are no dilutive potential ordinary shares outstanding at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

13. Property, plant and equipment

Group	Freehold land RM	Buildings RM	Cabin RM	Plant and machineries RM	Furniture, fittings and equipment RM	Motor vehicles RM	Renovation RM	Total RM
Cost								
At 1 June 2023	5,629,805	3,088,960	25,200	30,038,894	445,213	675,191	99,247	40,002,510
Addition	-	-	-	34,800	23,442	532,000	-	590,242
Disposal	-	(1,288,960)	-	(2,725,000)	-	(337,191)	-	(4,351,151)
Written off	-	-	-	(9,007,950)	-	-	(23,500)	(9,031,450)
At 31 August 2024	5,629,805	1,800,000	25,200	18,340,744	468,655	870,000	75,747	27,210,151
Addition	-	-	-	-	48,420	-	-	48,420
At 28 February 2026	5,629,805	1,800,000	25,200	18,340,744	517,075	870,000	75,747	27,258,571
Accumulated depreciation								
At 1 June 2023	-	451,610	24,776	20,497,203	312,552	386,098	88,863	21,761,102
Charge for the financial year (Note 10)	-	66,482	420	5,594,136	50,427	81,268	10,368	5,803,101
Disposal	-	(320,092)	-	(2,556,915)	-	(103,251)	-	(2,980,258)
Written off	-	-	-	(8,557,552)	-	-	(23,500)	(8,581,052)
At 31 August 2024	-	198,000	25,196	14,976,872	362,979	364,115	75,731	16,002,893
Charge for the financial year (Note 10)	-	54,000	-	2,677,271	45,780	159,600	-	2,936,651
At 28 February 2026	-	252,000	25,196	17,654,143	408,759	523,715	75,731	18,939,544
Net book value								
At 31 August 2024	5,629,805	1,602,000	4	3,363,872	105,676	505,885	16	11,207,258
At 28 February 2026	5,629,805	1,548,000	4	686,601	108,316	346,285	16	8,319,027

13. **Property, plant and equipment** (continued)

Company	**Freehold land RM**	**Renovation RM**	**Total RM**
Cost			
At 1 June 2023	6,918,765	23,500	6,942,265
Disposal	(1,288,960)	-	(1,288,960)
Written off	-	(23,500)	(23,500)
At 31 August 2024/ 28 February 2026	5,629,805	-	5,629,805
Accumulated depreciation			
At 1 June 2023	298,610	22,520	321,130
Charge for the financial year (Note 10)	21,482	980	22,462
Disposal	(320,092)	-	(320,092)
Written off	-	(23,500)	(23,500)
At 31 August 2024/ 28 February 2026	-	-	-
Net book value			
At 31 August 2024	5,629,805	-	5,629,805
At 28 February 2026	5,629,805	-	5,629,805

Property, plant and equipment of the Group acquired under hire purchase arrangements are as follows:

Group	**At cost RM**	**Accumulated depreciation RM**	**Net book value RM**
28.2.2026			
Motor vehicles	532,000	185,715	346,285
Plant and machineries	4,100,000	3,553,333	546,667
	4,632,000	3,739,048	892,952
31.8.2024			
Motor vehicles	532,000	26,115	505,885
Plant and machineries	4,100,000	2,089,816	2,010,184
	4,632,000	2,115,931	2,516,069

The freehold land and buildings of the Group and the Company at carrying amount of RM7,177,805 and RM5,629,805 (2024: RM7,231,805 and RM5,629,805) have been pledged to licensed banks as securities for borrowings as disclosed in Note 24 to the financial statements.

14. Right-of-use assets

	Group RM
Cost	
At 1 June 2023	119,488
Written off during the financial period	(119,488)
At 31 August 2024/28 February 2026	-
Accumulated depreciation	
At 1 June 2023	100,441
Charge during the financial period (Note 10)	19,047
Written off during the financial period	(119,488)
At 31 August 2024/28 February 2026	-
Net book value	
At 31 August 2024	-
At 28 February 2026	-

15. Intangible assets

Goodwill	Group RM
Cost	
At 1 June 2023/31 August 2024/ 28 February 2026	39,251,750
Accumulated impairment	
At 1 June 2023/31 August 2024	10,863,466
Impairment during the financial period	5,888,284
At 28 February 2026	16,751,750
Carrying amount	
At 31 August 2024	28,388,284
At 28 February 2026	22,500,000

16. Investments in subsidiaries

Unquoted shares	**Company RM**
Cost	
At 1 June 2023/31 August 2024	90,143,117
Addition	750,000
At 28 February 2026	90,893,117
Accumulated impairment	
At 1 June 2023	10,376,167
Charge for the financial period	42,643,117
At 31 August 2024	53,019,284
Charge for the financial period	37,123,833
At 28 February 2026	90,143,117
Net carrying amount	
At 31 August 2024	37,123,833
At 28 February 2026	750,000

Details of the subsidiaries, all of which are incorporated in Malaysia, are as follows:

Name of subsidiaries	**Proportion of ownership interest 28.2.2026 %**	**31.8.2024 %**	**Principal activities**
Held by the Company			
Ecobuilt Construction Sdn. Bhd.	100	-	General contractors
Eko Bina Sdn. Bhd.	100	100	General contractors
Rexallent Construction Sdn. Bhd.	100	100	General contractors

Subscription of additional shares

2026

On 24 April 2025, the Company subscribed 100% equity interests in a subsidiary, namely, Ecobuilt Construction Sdn. Bhd. at an issue price of RM1 per share totaling RM750,000 by way of cash.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

17. Other investment

Quoted shares	Group RM
Fair value through other comprehensive income	
At 1 June 2023	13,442,000
Fair value changes transferred to other comprehensive income (Note 22)	399,250
Disposal during the financial period	(2,001,750)
At 31 August 2024	11,839,500
Fair value changes transferred to other comprehensive income (Note 22)	(2,411,750)
At 28 February 2026	9,427,750

18. Deferred tax assets

	Group		Company	
	28.2.2026 RM	31.8.2024 RM	28.2.2026 RM	31.8.2024 RM
At 1 June	8,296,621	3,102,260	-	-
Recognised in profit or loss (Note 11)	(8,296,621)	5,194,361	-	-
At 31 August/28 February	-	8,296,621	-	-
Deferred tax assets				
Provision	-	4,750,499	-	-
Unutilised tax losses	-	2,757,811	-	-
Unabsorbed capital allowances	-	767,051	-	-
Property, plant and equipment	-	21,260	-	-
	-	8,296,621	-	-
Deferred tax assets recognised	-	8,296,621	-	-

19. Trade and other receivables

	Group		Company	
	28.2.2026	31.8.2024	28.2.2026	31.8.2024
Trade receivables	RM	RM	RM	RM
Third parties	77,368,559	119,247,695	-	-
Less: Allowance for expected credit losses	(23,885,243)	(17,746,273)	-	-
Trade receivables, net	53,483,316	101,501,422	-	-
Other receivables				
Third parties	13,575,804	4,781,211	104,415	104,415
Deposits	1,290,884	1,259,269		
Prepayments	119,422	131,057	-	3,000
	14,986,110	6,171,537	104,415	107,415
Less: Allowance for expected credit losses	(1,621,420)	(4,839,787)	(100,000)	(100,000)
Other receivables, net	13,364,690	1,331,750	4,415	7,415
Amount due from subsidiary				
Non-trade	-	-	15,634,042	17,026,768
Less: Allowance for expected credit losses	-	-	(15,634,042)	-
Contract assets	53,422,731	15,485,050	-	-
Total trade and other receivables	120,270,737	118,318,222	4,415	17,034,183

<u>Contract assets</u>

	Group	
	28.2.2026	31.8.2024
	RM	RM
Costs incurred on uncompleted contracts	903,596,979	600,952,025
Add: Estimated attributable (loss)/profits	(8,194,746)	11,177,583
	895,402,233	612,129,608
Less: Progress billings	(841,979,502)	(596,644,558)
Contract assets	53,422,731	15,485,050

Trade receivables are interest free and the normal credit terms granted by the Group are 30 days (2024: 30 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The non-trade amount due from subsidiary is unsecured, interest free and repayable on demand.

19. **Trade and other receivables** (continued)

During the financial year, the following (gains)/losses were recognised in profit or loss in relation to impaired financial assets:

Group	**Trade receivables RM**	**Other receivables RM**	**Total RM**
At 1 June 2023	4,866,501	2,970,990	7,837,491
Charge for the financial period	13,024,477	4,657,797	17,682,274
Reversal during the financial period	(144,705)	-	(144,705)
Written off during the financial period	-	(2,789,000)	(2,789,000)
At 31 August 2024	17,746,273	4,839,787	22,586,060
Charge for the financial period	6,138,970	-	6,138,970
Written off during the financial period	-	(3,218,367)	(3,218,367)
At 28 February 2026	23,885,243	1,621,420	25,506,663

Company	**Other receivables RM**	**Amount due from subsidiary RM**	**Total RM**
At 1 June 2023	100,000	-	100,000
Written off during the financial period	-	-	-
At 31 August 2024	100,000	-	100,000
Charge for the financial period	-	15,634,042	15,634,042
At 28 February 2026	100,000	15,634,042	15,734,042

Information about the Company's exposure to credit risks and impairment losses for trade receivables is included in Note 27 to the financial statements.

20. **Cash and cash equivalents**

	Group		**Company**	
	28.2.2026 RM	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
Cash in hand	30,351	24,506	5,851	6
Cash at banks	1,965,805	498,988	4,084	24,097
Fixed deposit with a licensed bank	181,087	181,087	-	-
Cash and bank balances	2,177,243	704,581	9,935	24,103
Less: Bank overdraft (Note 24)	(2,025,546)	(3,507,841)	-	-
Fixed deposit pledged with a licensed bank	(181,087)	(181,087)	-	-
Cash and cash equivalents	(29,390)	(2,984,347)	9,935	24,103

20. Cash and cash equivalents (continued)

The weighted average effective interest rate of fixed deposits with a licenced bank of the Group and of the Company at the end of the financial year is 2.00% (2024: 2.00%) per annum.

Fixed deposits with a licensed bank of the Group and of the Company have maturities of 30 (2024: 30) days and are pledged as securities for bank overdraft facility granted to the Company as disclosed in Note 24 to the financial statements.

21. Share capital

Issued and fully paid:	**Group/Company**	
Ordinary shares	**No. of shares**	**RM**
At 1 June 2023/31 August 2024	420,718,984	67,957,880
Less: Share capital reduction	-	(35,000,000)
At 28 February 2026	420,718,984	32,957,880

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share without restrictions at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

On 28 January 2025, the Board of Directors of Ecobuilt Holdings Berhad approved a proposed capital reduction and a proposed rights issue with warrants. Subsequently, on 2 July 2025, the Company announced that it had decided to abort the proposed rights issue with warrants and to proceed only with the proposed capital reduction. The listing application previously submitted in relation to the proposals was accordingly withdrawn.

The proposed capital reduction was approved by shareholders at an extraordinary general meeting held on 25 August 2025. Thereafter, the High Court granted an order confirming the capital reduction on 17 November 2025. The capital reduction became effective and was completed on 21 November 2025 upon lodgement of the sealed High Court order with the Registrar of Companies.

22. Fair value reserve

	Group RM
At 1 June 2023	(1,551,000)
Fair value gain on financial assets (Note 17)	399,250
Realisation of fair value on financial assets	353,250
At 31 August 2024	(798,500)
Fair value loss on financial assets (Note 17)	(2,411,750)
At 28 February 2026	(3,210,250)

23. Retained profits/(Accumulated losses)

The Group's and the Company's policy is to treat all gains and losses that pass through the statement of comprehensive income (i.e. non-owner transactions or events) as revenue reserves. Other than retained profits, all other revenue reserves are regarded as non-distributable in the form of cash dividends to shareholders. Accumulated losses is the opposite of retained profits and when an entity is in an accumulated loss position, it is prohibited from distributing cash dividends to shareholders.

24. Loan and borrowings

	Group	
	28.2.2026	**31.8.2024**
	RM	**RM**
Non-current		
Secured:		
Lease liabilities	239,648	1,578,000
Term loans	1,049,090	1,140,363
	1,288,738	2,718,363
Current		
Secured:		
Bank overdraft (Note 20)	2,025,546	3,507,841
Lease liabilities	987,125	1,266,553
Term loans	83,162	79,622
	3,095,833	4,854,016
Total loans and borrowings		
Secured:		
Bank overdraft (Note 20)	2,025,546	3,507,841
Lease liabilities	1,226,773	2,844,553
Term loans	1,132,252	1,219,985
	4,384,571	7,572,379
Maturity structure of loans and borrowings		
Within one year	3,095,833	4,854,016
Between one to five years	609,653	1,926,475
More than five years	679,085	791,888
	4,384,571	7,572,379

24. Loan and borrowings (continued)

The interest rate structures are as follows:

	Effective interest rate per annum	
	28.2.2026	**31.8.2024**
Bank overdraft	7.60%	7.85%
Lease liabilities	4.76% - 6.53%	4.76% - 6.53%
Term loans	4.22%	4.18%

Bank overdraft

The bank overdraft bears effective interest rate of 7.60% (2024: 7.85%) per annum and are secured by way of:

(i) Corporate guarantee by the Company;
(ii) Fixed deposit pledged as disclosed in Note 20 to the financial statements; and
(iii) Legal charge over the freehold land of the Group as disclosed in Note 13 to the financial statements.

Term loans

The term loan of the Group bears effective interest rate of 4.22% (2024: 4.18%) per annum and are secured by way of:

(i) Corporate guarantee by the Company; and
(ii) Legal charge over the freehold land and building of the Group as disclosed in Note 13 to the financial statements.

25. Trade and other payables

	Group		Company	
	28.2.2026 RM	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
Trade payables				
Third parties	87,076,925	85,414,856	-	-
Other payables				
Third parties	29,227,559	28,204,349	1,598,778	901,999
Accruals	5,343,051	13,610,564	147,324	141,150
Deposits payable	44,792	-	-	-
	34,615,402	41,814,913	1,746,102	1,043,149
Amount due to subsidiary	-	-	65,285	-
Total trade and other payables	121,692,327	127,229,769	1,811,387	1,043,149

25. Trade and other payables (continued)

Trade payables are interest free and the normal credit terms granted to the Group are 30 days (2024: 30 days).

The amounts due to subsidiary is non-trade in nature, unsecured, interest free and repayable on demand.

26. Significant related party transactions

(a) Identities of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

(b) Related parties' transactions

The aggregate value of transactions of the related parties of the Group and of the Company were as follows:

Type of transactions/Name of related parties	Transaction value 28.2.2026 RM	31.8.2024 RM
Company		
Subsidiaries		
Advances/(Repayment of advances)		
Eko Bina Sdn. Bhd.	1,143	-
Ecobuilt Construction Sdn. Bhd.	(66,428)	-
Rexallent Construction Sdn. Bhd.	(1,392,726)	-
Allowance for expected credit losses		
Rexallent Construction Sdn. Bhd.	(15,634,042)	-

(c) Compensation of key management personnel

The remuneration of Directors and other members of key management during the financial year was as follows:

	Group 28.2.2026 RM	Group 31.8.2024 RM	Company 28.2.2026 RM	Company 31.8.2024 RM
Short-term employee benefits	753,285	385,625	60,000	-
Contributions to defined contribution plan	51,992	-	-	-
	805,277	385,625	60,000	-

26. Significant related party transactions (continued)

(c) Compensation of key management personnel (continued)

	Group		Company	
	28.2.2026 RM	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
Included in the key management personnel are:				
Directors' remuneration (Note 8)	583,555	385,625	60,000	-
Other key management personnel	221,722	-	-	-
	805,277	385,625	60,000	-

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Director of the Group and of the Company.

The terms and conditions and prices of the above transactions are mutually agreed between the parties.

27. Financial instruments

(a) Categories of financial instruments

	Group		Company	
	28.2.2026 RM	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
Financial assets				
Measured at amortised cost				
Trade and other receivables	66,728,584	102,702,115	4,415	17,031,183
Cash and bank balances	2,177,243	704,581	9,935	24,103
	68,905,827	103,406,696	14,350	17,055,286
Financial liabilities				
Measured at amortised cost				
Trade and other payables	121,692,327	127,229,769	1,811,387	1,043,149
Loan and borrowings	4,384,571	7,572,379	-	-
	126,076,898	134,802,148	1,811,387	1,043,149

27. Financial instruments (continued)

(a) Categories of financial instruments (continued)

A reconciliation of trade and other receivables financial assets to the amounts reflected in the statements of financial position is as follows:

	Group		Company	
Trade and other receivables	**28.2.2026 RM**	**31.8.2024 RM**	**28.2.2026 RM**	**31.8.2024 RM**
As reflected in the statements of financial position (Note 19)	120,270,737	118,318,222	4,415	17,034,183
Less: Contract assets	(53,422,731)	(15,485,050)	-	-
Prepayments	(119,422)	(131,057)	-	(3,000)
	66,728,584	102,702,115	4,415	17,031,183

(b) Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties and related parties.

27. Financial instruments (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

As at the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Trade receivables

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, trade receivables and contract asset that are written off could still be subject to enforcement activities.

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position. The Group does not hold collateral as security.

The ageing analysis of the Group's trade receivables as at the reporting date is as follows:

28.2.2026	**Gross amount RM**	**Expected credit losses RM**	**Carrying amount RM**
Not past due	53,314,609	(4,735,217)	48,579,392
Past due:			
- Less than 30 days	-	-	-
- Between 31 to 60 days	4,239,068	(252,201)	3,986,867
- Between 61 to 90 days	-	-	-
- More than 90 days	19,814,882	(18,897,825)	917,057
	24,053,950	(19,150,026)	4,903,924
	77,368,559	(23,885,243)	53,483,316

27. **Financial instruments** (continued)

(b) **Financial risk management** (continued)

(i) **Credit risk** (continued)

Trade receivables (continued)

31.8.2024	**Gross amount RM**	**Expected credit losses RM**	**Carrying amount RM**
Not past due	78,551,524	(1,594,407)	76,957,117
Past due:			
- Less than 30 days	-	-	-
- Between 31 to 60 days	1,195,699	-	1,195,699
- Between 61 to 90 days	-	-	-
- More than 90 days	39,500,472	(16,151,866)	23,348,606
	40,696,171	(16,151,866)	24,544,305
	119,247,695	(17,746,273)	101,501,422

Impairment for trade receivables is measured at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables includes both individual impairment for those that show objective evidence of impairment (stage 3 loss) and collective impairment (stage 2 loss). Collective impairment has been provided using the provisional matrix based on historical loss experience of the respective entities in the Group with reference to past due status of the debtor, as follows:

	Expected credit losses rates	
	28.2.2026	**31.8.2024**
Not past due	6%	2%
Past due:		
- less than 30 days	0%	0%
- between 31 to 60 days	6%	0%
- between 61 to 90 days	0%	0%
- more than 90 days	95%	41%

The expected credit loss rates are based on the historical loss rates experienced by each entity in the Group as adjusted for forward looking element as necessary.

27. **Financial instruments** (continued)

(b) **Financial risk management** (continued)

(i) **Credit risk** (continued)

Trade receivables (continued)

As at the reporting date, the Group has significant concentration of credit risk in the form of outstanding balances due from 2 (2024: 3) major customers representing 88% (2024: 55%%) of the total trade receivables of the Group.

Other receivables

For other receivables, a lifetime expected credit loss is assessed for those counterparties that show significant increase in credit risk as at the end of the reporting period, and impairment made based on objective evidence of impairment.

Inter-company advances

The Company provides advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis and considers advances to subsidiaries to have low credit risks.

The Company determines the probability of default for these advances individually using internal information available.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Advances provided are not secured by any collateral or supported by any other credit enhancements.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that loss allowance is not material and hence, it is not provided for.

27. **Financial instruments** (continued)

(b) **Financial risk management** (continued)

(ii) **Liquidity risk**

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.

The following table sets out the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Group **28.2.2026**	**Carrying amount RM**	**Contractual undiscounted cash flows RM**	**Within 1 year RM**	**1 – 5 years RM**	**Over 5 years RM**
Trade and other payables	121,692,327	121,692,327	121,692,327	-	-
Loan and borrowings	4,384,521	5,954,456	4,324,388	820,803	809,265
	126,076,848	127,646,783	126,016,715	820,803	809,265
31.8.2024					
Trade and other payables	127,229,769	127,229,769	127,229,769	-	-
Loan and borrowings	7,572,379	8,319,011	5,077,264	2,311,884	929,863
	134,802,148	135,548,780	132,307,033	2,311,884	929,863

27. Financial instruments (continued)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Company 28.2.2026	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM	Over 5 years RM
Trade and other payables	1,811,387	1,811,387	1,811,387	-	-
31.8.2024					
Trade and other payables	1,043,149	1,043,149	1,043,149	-	-

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest risk arises mainly from their loan and borrowing. Most of the Group's and the Company's loan and borrowing are charged a fixed interest rate plus the financial institutions' cost of fund per annum. The fixed interest rate is reviewed annually. Whilst, the cost of fund used by the financial institutions vary according to the rates set by the respective financial institutions. The investments in financial assets are mainly short term in nature and have been placed in fixed deposits.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	Group/Company (Decrease)/Increase	
Effects on profit/(loss) after taxation	**28.2.2026 RM**	**31.8.2024 RM**
Increase of 30bp (2024: 50bp)	(7,200)	(17,966)
Decrease of 30bp (2024: 50bp)	7,200	17,966

28. Fair value information

The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

29. Capital management

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their businesses and maximise shareholders' value.

The Group and the Company manage their capital structure, and make adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares. The Group's strategies were unchanged from the previous financial year.

The Group and the Company monitor capital using gearing ratio. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus payables less cash and bank balances.

The gearing ratio of the Group and of the Company as at the end of the reporting period was as follows:

	Group		Company	
	2026 RM	2024 RM	2026 RM	2024 RM
Loan and borrowing	4,384,571	7,572,379	-	-
Trade and other payables	121,692,327	127,229,769	1,811,387	1,043,149
Less: Cash and bank balances	(2,177,243)	(704,581)	(9,935)	(24,103)
Net debt	123,899,655	134,097,567	1,801,452	1,019,046
Total equity	36,875,060	46,904,601	4,755,474	58,941,481
Gearing ratio	336%	286%	38%	2%

The Group is not subject to any externally imposed capital requirements.

30. Segment information

(i) Operating segment

For management purposes, the Group is organised into business units based on its business activities, and has two (2) reportable operating segments as follows:

(a) Construction segment is in the business of performing general construction works and supply of building materials.

(b) Holding of investments and provision of management services to the entities within the Group.

Except as indicated above, no other operating segments have been aggregated to form the above reportable operating segments.

The Group's Chief Operating Decision Maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated statement of profit or loss and other comprehensive income. Income taxes are managed on a group basis and are not allocated to operating segments.

ECOBUILT HOLDINGS BERHAD
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(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

30. **Segment information** (continued)

(i) **Operating segment** (continued)

28.2.2026 **Revenue**	**Note**	**Management RM**	**Construction RM**	**Adjustments and eliminations RM**	**Per consolidated financial statements RM**
External customers					
- Related parties		-	1,422,673	(1,422,673)	-
- Third parties		-	127,089,415	-	127,089,415
Total revenue		-	128,512,088	(1,422,673)	127,089,415
Results					
Finance costs		-	560,126	-	560,126
Depreciation of property, plant and equipment		-	2,953,318	(16,667)	2,936,651
Rental income		-	(1,500)	-	(1,500)
Rental expenses		-	48,672	-	48,672
Segment (loss)/profit before taxation		(54,168,007)	(1,876,038)	56,970,035	925,990
Assets					
Additions to non-current assets	(c)	-	1,048,420	(1,000,000)	48,420
Segment assets		22,135,618	114,084,192	27,120,780	163,340,590
Liabilities					
Segment liabilities		1,746,103	179,386,660	(54,667,233)	126,465,530

31.8.2024 **Revenue**		**Management RM**	**Construction RM**	**Adjustments and eliminations RM**	**Per consolidated financial statements RM**
External customers					
- Third parties		-	197,547,501	-	197,547,501
Results					
Finance costs		-	755,678	-	755,678
Depreciation of property, plant and equipment		22,462	5,780,639	-	5,803,101
Depreciation of right of use asset		-	19,047	-	19,047
Rental income		-	(14,170)	-	(14,170)
Rental expenses		-	12,500	-	12,500
Other non-cash income	(b)	-	(2,079,299)	-	(2,079,299)
Segment (loss)/profit before taxation		(43,912,065)	(52,997,190)	53,301,136	(43,608,119)
Assets					
Additions to non-current assets	(c)	-	590,242	-	590,242
Segment assets		59,984,630	54,458,827	67,263,292	181,706,749
Liabilities					
Segment liabilities		1,043,149	219,533,335	(85,774,336)	134,802,148

30. **Segment information** (continued)

(i) **Operating segment** (continued)

(a) There are no inter-segment transactions and balances and therefore no reconciliation to the amounts reported in the statements of profit or loss and other comprehensive income and statements of financial position is required.

(b) Other non-cash income consist of the following items:

	28.2.2026 RM	31.8.2024 RM
Waiver of debt	-	2,079,299

(c) Additions to non-current assets consist of:

	28.2.2026 RM	31.8.2024 RM
Property, plant and equipment	48,420	590,242

(ii) **Geographical information**

Geographical information is not presented as the Group operates predominantly in Malaysia.

(iii) **Major customers**

Revenue from 3 (2024: 4) major customers amounted to RM97,630,510 (2024: RM175,200,963) accounting for 78% (2024: 89%) of total revenue arising from construction and trading of building materials segment.

31. Material litigations

(a) Eko Bina Sdn. Bhd. vs Golden Wave Sdn. Bhd.

On 8 August 2023, Eko Bina Sdn. Bhd. served a notice of adjudication under the Construction Industry Payment and Adjudication Act 2012 against Golden Wave Sdn. Bhd. in relation to a payment dispute arising from a mixed commercial development project located at Jalan Wawasan, Kota Kinabalu, Sabah. Eko Bina Sdn. Bhd. sought RM23,161,711 in respect of payments due during the construction process.

On 12 December 2023, the adjudicator rendered a decision in favour of Eko Bina Sdn. Bhd. and ordered Golden Wave Sdn. Bhd. to pay the adjudicated sum of RM23,161,711, adjudication costs of RM61,289 and legal costs of RM30,000. The adjudication decision further provided that, if payment was not made within thirty (30) days from the date of the decision, interest at 5% per annum would accrue until full and final settlement.

On 17 May 2024, the High Court in Sabah and Sarawak at Kota Kinabalu dismissed Golden Wave Sdn. Bhd.'s application to set aside the adjudication decision and its application to stay the adjudication decision, with costs awarded against Golden Wave Sdn. Bhd. The adjudication award was therefore affirmed and became due and payable.

Golden Wave Sdn. Bhd. was subsequently served with a winding-up petition filed by Eko Bina Sdn. Bhd. on 4 October 2024. Following the hearing on 31 July 2025, the Court granted the winding-up petition and appointed a liquidator for Golden Wave Sdn. Bhd..

Subsequently, Eko Bina Sdn. Bhd. became aware on 20 November 2025 that Golden Wave Sdn. Bhd., through its appointed Receiver and Manager, had filed an application for a Scheme of Arrangement pursuant to a Court Order dated 27 October 2025. Eko Bina Sdn. Bhd. noted that it had been excluded from the proposed scheme despite being an unsecured creditor of Golden Wave Sdn. Bhd. for the adjudicated amount of RM23,161,711. Consequently, Eko Bina Sdn. Bhd. applied to intervene in the proceedings to protect its rights and interests as an unsecured creditor.

As at the date of issuance of these financial statements, the hearing of the application has been fixed on 30 June 2026.

31. **Material litigations** (continued)

(b) Eko Bina Sdn. Bhd. vs PLP Electrical Engineering Sdn. Bhd.

The Group's wholly-owned subsidiary, Eko Bina Sdn. Bhd., was involved in an adjudication proceeding under the Construction Industry Payment and Adjudication Act 2012 ("CIPAA") with PLP Electrical Engineering Sdn. Bhd. in relation to a subcontract for electrical works on a construction project in Kota Kinabalu.

The adjudicator, in a decision dated 30 August 2024, determined that Eko Bina Sdn. Bhd. is liable to pay the claimant a total principal sum of RM1,432,181, comprising unpaid certified amounts under Payment Certificates No. 4 and No. 5 to No. 14, together with pre-decision interest of RM167,615, further interest at 5% per annum until full settlement, and adjudication costs of RM87,321. The total adjudicated amount has been fully recognised in the financial statements.

On 12 September 2024, Eko Bina Sdn. Bhd. has applied to High Court for setting aside and stay of CIPAA Decision and was dismissed by High Court on 12 June 2026. The Company intends to file an appeal on the said decision and no hearing date has been fixed yet as at the date of issuance of these financial statements.

32. **Significant event**

On 27 January 2026, the High Court approved the applications by the Company's wholly-owned subsidiaries, Eko Bina Sdn. Bhd. and Rexallent Construction Sdn. Bhd., in relation to a proposed scheme of arrangement with their creditors, which the extraction of the sealed Court Order was subsequently received on 6 February 2026. The Court also granted a restraining order for two (2) months, which was subsequently extended for a further three (3) months effective from 27 March 2026. On 26 June 2026, the High Court granted a further extension of the restraining order up to 27 July 2026.

Court-convened meetings of creditors were held on 24 April 2026, at which the creditors voted to adjourn the meetings. The adjourned meetings are scheduled for 16 July 2026.

The proposed schemes involve debt waivers of approximately RM27.85 million and settlement of the remaining RM38.68 million through structured instalments over a period of up to twelve (12) months from the effective date. As at the date of issuance of these financial statements, the proposed schemes are subject to the approval by creditors and sanction by the Court and therefore have not been recognised in the financial statements. If the proposed schemes are successfully implemented, the Group expects a significant reduction in liabilities and a corresponding one-off gain recognised in profit or loss, resulting in an improvement in the Group's financial position.

33. Subsequent event

On 18 November 2025, the Company entered into a Sales and Purchase Agreement for the disposal of its freehold land for a total consideration of RM5,744,699. As at 28 February 2026, the freehold land was pledged to licensed banks as security for the Group's borrowings, as disclosed in Note 24 to the financial statements. Subsequent to the financial period end, on 12 March 2026, the related charge over the freehold land was fully satisfied and released. The balance of the purchase consideration was received by the Company on 22 May 2026.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

34. Change in comparatives and prior year adjustments

Group	As previously reported RM	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	As restated RM
Statements of financial position										
Current assets										
Contract assets	15,485,050	-	(15,485,050)	-	-	-	-	-	-	-
Trade and other receivables	99,691,572	-	15,485,050	-	-	-	3,141,600	-	-	118,318,222
Current liabilities										
Trade payables	117,449,541	-	-	15,835,500	-	(6,055,272)	-	-	-	127,229,769
Contract liabilities	15,835,500	-	-	(15,835,500)	-	-	-	-	-	-
Equity attributable to the owners of the Company										
Fair value reserve	(30,250,151)	-	-	-	29,451,651	-	-	-	-	(798,500)
Accumulated losses	-	-	-	-	(29,451,651)	6,055,272	3,141,600	-	-	(20,254,779)
Statements of profit or loss and other comprehensive income										
Cost of sales	224,143,199	-	-	-	-	(6,055,272)	-	-	-	218,087,927
Employee benefits expenses	1,056,357	(1,056,357)	-	-	-	-	-	-	-	-
Directors' remuneration	690,725	(690,725)	-	-	-	-	-	-	-	-
Allowance for expected credit losses	-	-	-	-	-	-	-	17,537,569	-	17,537,569
Administrative expenses	24,917,796	1,747,082	-	-	-	-	-	(17,537,569)	-	9,127,309

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

34. **Change in comparatives and prior year adjustments** (continued)

Company	As previously reported RM	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	As restated RM
Statements of financial position										
Investment in subsidiaries	54,150,601	-	-	-	-	-	-	-	(17,026,768)	37,123,833
Trade and other receivables	7,415	-	-	-	-	-	-	-	17,026,768	17,019,353

(i) Being employee benefit expenses and directors' remuneration grouped together and presented together in administrative expenses.
(ii) Being contract assets and trade and other receivables grouped together and presented as a single line item.
(iii) Being contract liabilities and trade and other payables grouped together and presented as a single line item.
(iv) Being accumulated losses now presented separately for better presentation.
(v) Being contract cost double taken up in prior year and therefore, a prior year adjustment was reflected to correct this error.
(vi) Being revenue under recognised up in prior year and therefore, a prior year adjustment was reflected to correct this error.
(vii) Being allowance of expected credit losses wrongly included in administrative expenses, now presented as a single line item.
(viii) Being amount due from subsidiaries wrongly included in investments in subsidiaries, now reclassified to trade and other payables to better reflect the nature of these balances.

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