



GFM SERVICES BERHAD
[Registration No. 201301003302 (1033141-H)]
(Incorporated in Malaysia)

Year 2025
Quarterly Announcement
For the Second Quarter Ended 30 June 2025

The Board of Directors of GFM Services Berhad (“GFM” or the “Company”) (“Board”) is pleased to announce the following unaudited consolidated results for the quarter and financial period ended (“FPE”) 30 June 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Individual quarter		Cumulative period	
		Current year quarter 30/06/2025 ⁽¹⁾ RM'000	Preceding year quarter 30/06/2024 RM'000	Current year to-date 30/06/2025 ⁽¹⁾ RM'000	Preceding year to-date 30/06/2024 RM'000
Revenue	A9	52,362	50,157	100,312	103,485
Cost of sales		<u>(35,361)</u>	<u>(33,793)</u>	<u>(63,817)</u>	<u>(68,973)</u>
Gross profit		17,001	16,364	36,495	34,512
Other income		894	324	1,434	1,048
Administrative expenses		<u>(3,223)</u>	<u>(2,528)</u>	<u>(8,430)</u>	<u>(7,152)</u>
Profits from operations		14,672	14,160	29,499	28,408
Finance costs		(6,425)	(4,863)	(12,944)	(9,568)
Share of results of an associate and joint venture, net of tax		<u>283</u>	<u>130</u>	<u>492</u>	<u>234</u>
Profit before tax	B13	8,530	9,427	17,047	19,074
Tax expense	B5	<u>(2,778)</u>	<u>(3,600)</u>	<u>(5,283)</u>	<u>(7,034)</u>
Profit/Total comprehensive income for the period		<u>5,752</u>	<u>5,827</u>	<u>11,764</u>	<u>12,040</u>
Profit for the period attributable to:					
Equity holders of the parent		<u>5,752</u>	<u>5,827</u>	<u>11,764</u>	<u>12,040</u>
		<u>5,752</u>	<u>5,827</u>	<u>11,764</u>	<u>12,040</u>
Total comprehensive income for the period attributable to:					
Equity holders of the parent		<u>5,752</u>	<u>5,827</u>	<u>11,764</u>	<u>12,040</u>
		<u>5,752</u>	<u>5,827</u>	<u>11,764</u>	<u>12,040</u>
Earnings per share (sen)					
- Basic ⁽²⁾		<u>0.76</u>	<u>0.79</u>	<u>1.55</u>	<u>1.64</u>
- Diluted ⁽³⁾		<u>0.76</u>	<u>0.77</u>	<u>1.55</u>	<u>1.59</u>
Dividends per share (sen)		<u>N/A</u>	<u>0.23</u>	<u>N/A</u>	<u>0.25</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended (“FYE”) 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.
- (2) Basic earnings per share for the individual quarter and financial year are calculated based on the Company’s weighted average share capital during the financial quarter/year.
- (3) Diluted earnings per share of the Company for the individual quarter and financial year are calculated based on the profit for the financial quarter/year attributable to owners of the Company and its subsidiaries (“GFM Group” or “Group”) and the weighted average number of ordinary shares outstanding during the financial quarter/year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

N/A Not Applicable

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	Unaudited as at 30/06/2025 ⁽¹⁾ RM'000	Audited as at 31/12/2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		16,203	16,509
Investment property		30,878	30,878
Intangible assets		49,977	50,585
Investment in associate		112	112
Investment in joint venture		2,818	2,326
Operating financial assets		260,047	267,073
Other investments		4,808	4,340
Deferred tax assets		218	218
Total non-current assets		365,061	372,041
Current assets			
Inventory		1,422	456
Tax recoverable		2,379	3,893
Trade receivables		17,554	15,072
Operating financial assets		27,428	28,231
Other receivables, deposits & prepayments		71,201	45,654
Deposits, cash and bank balances		177,137	155,819
Total current assets		297,121	249,125
Total assets		662,182	621,166
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		118,321	118,317
Retained earnings		146,379	140,160
Share option reserve and share grant reserve		-	304
Reorganisation deficit		(45,265)	(45,265)
Total equity		219,435	213,516
Non-current liabilities			
Borrowings	B9	305,411	256,115
Deferred tax liabilities		51,956	52,352
Total non-current liabilities		357,367	308,467
Current liabilities			
Trade payables		17,656	16,678
Other payables and accruals		35,074	22,562
Borrowings	B9	28,511	56,036
Tax payable		4,139	3,907
Total current liabilities		85,380	99,183
Total liabilities		442,747	407,650
Total equity and liabilities		662,182	621,166
Net assets per share attributable to equity holders of the Company (RM)			
		0.22	0.21

Notes:

- (1) The Unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the FYE 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL PERIOD ENDED 30 JUNE 2025

	Attributable to owners of the Company						Total equity RM'000
	Share capital RM'000	Fair value reserve of financial assets at FVOCI RM'000	Share option reserve RM'000	Share grant reserve RM'000	Reorganisation deficit RM'000	Retained earnings RM'000	
Balance as of 1 January 2025	118,317	-	-	-	(45,265)	140,464	213,516
Comprehensive income							
Profit for the financial period	-	-	-	-	-	11,764	11,764
Transactions with owners							
Issue of ordinary shares	4	-	-	-	-	-	4
Dividends paid on shares	-	-	-	-	-	(5,849)	(5,849)
Balance as of 30 June 2025	<u>118,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,265)</u>	<u>146,379</u>	<u>219,435</u>
Balance as of 1 January 2024							
- as restated	103,123	(2,415)	273	31	(45,265)	127,780	183,527
Comprehensive income							
Profit for the financial period	-	-	-	-	-	12,040	12,040
Transactions with owners							
Issue of ordinary shares	15,180	-	-	(31)	-	-	15,149
Revision of share options after vesting period	-	-	544	-	-	-	544
Dividends paid on shares	-	2,415	(273)	-	-	(6,516)	(4,374)
Balance as of 30 June 2024	<u>118,303</u>	<u>-</u>	<u>544</u>	<u>-</u>	<u>(45,265)</u>	<u>133,304</u>	<u>206,886</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

	Year-to-date ended	
	30/06/2025 ⁽¹⁾	30/06/2024
	RM'000	RM'000
		Restated
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before tax	17,047	19,074
Adjustment for:		
Amortisation of intangible assets	606	608
Depreciation of property, plant and equipment	1,050	1,169
Gain on disposal of property, plant and equipment	(18)	-
Interest expense	12,944	9,568
Interest income	(1,403)	(564)
Interest income on operating financial asset	(14,311)	(16,068)
Share of results of an associate	(492)	10
Deferred tax	-	7
Fair value gain	-	1,982
	<u>15,423</u>	<u>15,786</u>
Movements in working capital:		
Increase in:		
Trade and other receivables	(54,455)	(13,020)
Inventories	(966)	(413)
Increase in:		
Trade and other payables	12,746	2,005
Decrease in:		
Operating financial assets	49,569	23,175
Cash Generated From Operations	<u>22,317</u>	<u>27,533</u>
Bad debts recovered		
Income tax paid	(6,440)	(5,845)
Income tax refund	2,476	-
Interest paid	(12,944)	(9,568)
Interest received	1,176	564
Net Cash From Operating Activities	<u>6,585</u>	<u>12,684</u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of Era Gema Bina Sdn Bhd	-	(4,600)
Investment in joint venture	-	(234)
Change of escrow account, finance service reserve account, liquidity reserve account, revenue account and disbursement account	(1,903)	(2,065)
Change in pledge deposits	3,527	(7,401)
Dividend received	6,000	-
Drawdown other investments	-	(379)
Purchase of property, plant and equipment	(769)	(2,672)
Purchase of investment properties	(468)	-
Proceeds from disposal of property, plant and equipment	42	-
Net Cash From/(Used in) Investing Activities	<u>6,429</u>	<u>(17,351)</u>

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(CONT'D)**

	Year-to-date ended	
	30/06/2025 ⁽¹⁾	30/06/2024
	RM'000	RM'000
		Restated
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(11,848)	(4,405)
Repayment of Revolving Credit	-	(500)
Repayment of finance lease payables	-	(373)
Repayment of term loans	(17,392)	(14,707)
Proceeds from issuance of shares	4	15,180
Drawdown of Sukuk	48,926	40,000
Redemption of Sukuk	(6,000)	-
Revision of share options after vesting period	-	544
Net Cash From Financing Activities	<u>13,690</u>	<u>35,739</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	26,704	31,072
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>26,861</u>	<u>42,816</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>53,565</u>	<u>73,888</u>
Cash and cash equivalents comprise:		
Cash and bank balances	82,220	60,284
Fixed deposits with a licensed bank	<u>94,917</u>	<u>80,930</u>
	177,137	141,214
Less: Bank overdraft	(782)	(4,063)
Deposits pledged as securities	(20,585)	(23,066)
Escrow account	(27,440)	(19,359)
Finance Service Reserve Account	(36,717)	(6,172)
Liquidity Reserve Account	(13,503)	(13,185)
Revenue Account	(19,641)	(1,200)
Disbursement Account	(1)	-
	<u>(4,903)</u>	<u>(281)</u>
	<u>53,565</u>	<u>73,888</u>

Notes:

- (1) *The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the FYE 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.*

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2025**A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")("LISTING REQUIREMENTS")****A1 Basis of Preparation**

This condensed consolidated interim financial report is unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the interim financial report on the condensed consolidated results for the period ended 30 June 2025 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the annual financial statements of the Group. This unaudited condensed consolidated interim financial report should be read in conjunction with the audited financial statements for the FYE 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

The accompanying explanatory notes attached to this unaudited condensed consolidated interim financial report provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of GFM Group since FYE 31 December 2024.

A2 Changes in Accounting Policies

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

(i) Accounting pronouncements that are effective and adopted during the financial year

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current
Amendments to MFRS 7 and MFRS 107	Supplier Finance Arrangements

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and the Company.

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A2 Changes in Accounting Policies (cont'd)**(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted**

The Company has not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Company:

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability
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Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Contract Referencing Nature-dependent Electricity
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Amendments that are part of Annual Improvements - Volume 11:

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 107	Statement of Cash Flows

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability Disclosures

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and the Company upon their initial applications, except for:

MFRS 18 Presentation and Disclosure in Financial Statement

MFRS 18 will replace MFRS 101, Presentation of Financial Statements and applies for annual period beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement cash flows when presenting the operating cash flows under the indirect method.

The Group and the Company are currently assessing the impact of adopting MFRS 18.

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A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2024 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations are not materially affected by seasonal or cyclical factors during the current financial quarter and financial period under review.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

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

A6 Changes in Estimates

There were no changes in estimates that have had a material effect during the current financial quarter and current financial period under review.

A7 Changes in Debt and Equity Securities

During the period under review, the Company issued Sukuk amounting to RM55 million on 28 February 2025 under its existing Sukuk programme.

Additionally, on 21 March 2025, the Company completed a warrants exercise, resulting in the issuance of 20,000 new ordinary shares.

A8 Dividends Paid

A Single Tier Interim Dividend of 0.46 sen per share was declared on 28 February 2025 for the financial year ending 31 December 2024 and paid on 28 April 2025.

A Final Single-Tier Dividend of 0.31 sen per share was declared on 19 June 2025 in respect of the financial year ended 31 December 2024 and paid on 18 August 2025.

A9 Segmental Information

Current year to date 30 June 2025

	Facilities Management Services & Consultancy RM'000	Concession arrangements RM'000	Oil and Gas RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue						
External revenue	52,392	15,354	33,609	-	(1,043)	100,312
Inter-segment revenue	5,039	-	-	9,417	(14,456)	-
	<u>57,431</u>	<u>15,354</u>	<u>33,609</u>	<u>9,417</u>	<u>(15,499)</u>	<u>100,312</u>
Profits from operations						
External profit /(loss)	12,772	14,803	2,966	-	(550)	29,991
Inter-segment profit	641	-	-	13,610	(14,251)	-
	<u>13,413</u>	<u>14,803</u>	<u>2,966</u>	<u>13,610</u>	<u>(14,801)</u>	<u>29,991</u>

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A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current financial quarter and current financial period under review.

A11 Changes in the Composition of the Group

There were no material events subsequent to the current period ended.

A12 Contingent Liabilities or Contingent Assets

There have been no changes in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2024, in relation to a corporate guarantee provided by a subsidiary for companies related to the former shareholders of Highbase Strategic Sdn. Bhd. ("HSSB").

A13 Capital Commitments

There were no capital commitments during the current financial quarter and current financial period under review.

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B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of Performance

For the six-month period ended 30 June 2025 (“1H 2025”), the Group’s revenue declined by 3.1% year-on-year (“YoY”) to RM100.3 million, from RM103.5 million in the previous year’s corresponding period (“1H 2024”). This was mainly attributable to lower revenue from the Facilities Management (“FM”) segment, offset by higher contributions from the Oil and Gas (“O&G”) division.

The FM segment delivered RM52.4 million in 1H 2025 (1H 2024: RM59.9 million). The lower revenue was mainly due to a reduction in repair works completed during the period.

Revenue from the O&G division rose by 17.5% YoY to RM33.6 million in 1H 2025 (1H 2024: RM28.6 million), fuelled by additional work orders executed under existing PETRONAS’ TA4MS contract (“Integrated Turnaround Main Mechanical and Maintenance Mechanical Static Contract”) at the Pengerang Integrated Complex (“PIC”).

The Concession Arrangements (“Concession”) segment generated revenue of RM14.3 million in 1H 2025 (1H 2024: RM15.0 million) after consolidation adjustments. The lower contribution reflects the natural decline in accrued interest income as the financial asset amortises over time. The interest income is derived from GFM’s long-term concession for the UiTM Mukah campus under KP Mukah, where the Group records a receivable from the grantor – the Ministry of Education and UiTM – with repayments made over time, including interest.

In terms of revenue breakdown, the FM segment contributed the largest share of revenue at 52.2% in 1H 2025, while the O&G division accounted for 33.5%, and the Concession segment contributed the remaining 14.3%.

Gross profit (“GP”) rose by 5.8% YoY to RM36.5 million in 1H 2025, up from RM34.5 million in 1H 2024, due a favourable revenue mix. As a result, GP margins grew to 36.4% (1H 2024: 33.3%).

During the period, the Group’s administrative expenses came to RM8.4 million (1H 2024: RM7.2 million), as a result of higher expenses related to the Group’s corporate exercises and increased costs for business development activities aimed at securing future contracts.

Consequently, GFM reported a profit before tax (“PBT”) of RM17.0 million in 1H 2025 (1H 2024: RM19.1 million), while profit attributable to equity holders of the parent (“net profit”) totalled to RM11.8 million (1H 2024: RM12.0 million).

B2 Comparison with Preceding Quarter’s Results

	Current year quarter 30/06/2025 RM'000	Preceding quarter 31/03/2025 RM'000	Variance RM'000	%
Revenue	52,362	47,950	4,412	9.2%
Profit before tax	8,530	8,518	12	0.1%

For the period under review, GFM’s revenue rose by 9.2% quarter-on-quarter (“QoQ”) to RM52.4 million, from RM48.0 million in the prior quarter (“1Q 2025”). Growth was driven by higher contributions from the FM segment due to increased variation orders and from the O&G division following additional contracts in non-primary coverage areas under the TA4MS contract at the PIC.

Meanwhile, the Group’s GP stood at RM17.0 million in 2Q 2025 (1Q 2025: RM19.5 million) with a GP margin of 32.5%, moderated due to higher costs incurred from the O&G segment.

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B2 Comparison with Preceding Quarter's Results (cont'd)

The Group recorded lower administrative expenses, amounting to RM3.2 million in 2Q 2025, compared to RM5.2 million in 1Q 2025, owing to lower expenses incurred from the Group's corporate exercises.

Based on the aforementioned factors, PBT remained stable at RM8.5 million in 2Q 2025 (1Q 2025: RM8.5 million) with net profit at RM5.8 million in 2Q 2025 (1Q 2025: RM6.0 million), due to a higher effective tax rate of 32.6% (1Q 2025: 29.4%).

B3 Prospects

The Group's prospects remain supported by a solid order book. As at 30 June 2025, GFM's outstanding order book stood at RM1,085.8 million, mainly driven by KP Mukah's concession for the UiTM Mukah campus (RM725.2 million, running until 2035) and the JKR contract (RM170.8 million, until July 2027). The progressive revenue recognition from these contracts will provide long-term earnings stability and visibility.

The Group remains positive on its Facilities Management segment and is actively pursuing opportunities from ongoing infrastructure developments and supportive government initiatives, including the Public-Private Partnership ("PPP") Master Plan 2030 ("PIKAS 2030"). These factors are expected to drive demand for FM services and open up growth prospects for industry players such as GFM.

The O&G maintenance segment continues to perform well. With the successful turnaround of HSSB, the Group is better positioned to secure new projects. This segment is anchored by PETRONAS' TA4MS contract for plant maintenance services at the PIC in Johor. A major plant turnaround is scheduled at PIC in 2026 and 2027, which is expected to generate significant maintenance activity.

In addition, the proposed acquisition of a 60% stake in Shapadu Energy is expected to significantly expand the Group's presence in this market. Shapadu Energy, through its 60%-owned subsidiary Shapadu CR Asia ("SCRA"), also holds the TA4MS contract, providing further access to long-term, high-value maintenance work and reinforcing GFM's position as a key player in the sector.

GFM's RSA initiative is progressing steadily. The regulatory approval process for the first RSA at Sungai Muda, along the high-traffic PLUS North-South Expressway, is currently underway. This project is well-positioned to meet rising demand for additional rest stops. Upon commencement, targeted within the next two years, the RSA will mark GFM's entry into a new business segment, complementing its existing portfolio and providing a new stream of recurring income. Besides the Sungai Muda RSA, GFM's other proposed RSA projects are located at Bemban, Melaka, and Karak, Pahang.

Looking ahead, the Group will continue to strengthen its operational capabilities and focus on executing its growth plans.

B4 Variance Between Actual Profit and Forecast Profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	Individual quarter		Cumulative period	
	Current year quarter 30/06/2025 RM'000	Preceding year quarter 30/06/2024 RM'000	Current year to-date 30/06/2025 RM'000	Preceding year to-date 30/06/2024 RM'000
Income tax				
Current period	2,973	3,600	5,676	4,779
Underprovision in prior year	<u>3</u>	<u>-</u>	<u>3</u>	<u>2,050</u>
	2,976	3,600	5,679	6,829
Deferred tax				
Current period	(198)	-	(396)	15
Underprovision in prior year	<u>-</u>	<u>-</u>	<u>-</u>	<u>190</u>
	<u>(198)</u>	<u>-</u>	<u>(396)</u>	<u>205</u>
				Cumulative Current year to-date 30/06/2025 RM'000
Profit before tax				17,047
Taxation				5,283
Effective tax rate ("ETR")				31%

In computing the Group's effective tax rate (ETR), the calculation takes into consideration the exempted company taxation effects, Dynasty Harmony Sdn Bhd ("DHSB") and Wira Pertiwi Sdn Bhd ("WPSB"), both wholly-owned special purpose vehicles of the GFM Group. These entities were established solely to undertake the initial issuance of Sukuk Wakalah amounting to RM220 million and RM60 million in nominal value respectively, in accordance with Syariah principles and approved by the Securities Commission.

The Group's ETR for the financial year-to-date is higher than the statutory tax rate of 24% mainly due to the non-deductible expenses incurred during financial year period under review.

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B6 Unquoted Investments and Properties

There were no purchases or sales of unquoted investment or properties for the current financial quarter and current financial period under review.

B7 Quoted Securities

There were no acquisitions or disposals of quoted securities for the current financial quarter and current financial period under review.

B8 Status of Corporate Proposals

On 2 July 2025, GFM had entered into agreement for the proposed acquisition and subscription of a 60% equity stake in Shapadu Energy Sdn Bhd ("Shapadu Energy").

B9 Borrowings and Debt Securities

The Group's total debts as at 30 June 2025 which are denominated in Ringgit Malaysia are as follows:

	Unaudited as at 30/06/2025 RM'000	Audited as at 31/12/2024 RM'000
Short-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	28,511	56,036
Long-term indebtedness:		
<u>Secured and guaranteed</u>		
Borrowings	305,411	256,115
Total indebtedness	<u>333,922</u>	<u>312,151</u>

B10 Material Litigation

There were no material litigations pending as at 30 June 2025.

B11 Dividend

No dividend has been declared or proposed for the current financial quarter under review.

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B12 Earning Per Share (“EPS”)

	Individual quarter		Cumulative period	
	Current year quarter 30/06/2025 RM'000	Preceding year quarter 30/06/2024 RM'000	Current year to-date 30/06/2025 RM'000	Preceding year to-date 30/06/2024 RM'000
BASIC EPS				
Profit for the period (RM'000)	5,752	5,827	11,764	12,040
Weighted average number of ordinary shares in issue ('000)	759,551	734,440	759,551	734,440
Basic EPS (sen)	0.76	0.79	1.55	1.64
DILUTED EPS				
Profit for the period (RM'000)	5,752	5,827	11,764	12,040
Weighted average number of ordinary shares in issue ('000)	759,551	759,462	759,551	759,462
Effect of dilution from: - Bonus Warrant	379,641	379,730	379,641	379,730
Weighted average number of ordinary shares for basic earning per share (unit)	<u>1,139,192</u>	<u>1,139,192</u>	<u>1,139,192</u>	<u>1,139,192</u>

* Diluted earnings per share for the financial period ended 30 June 2025 is not presented as there were no potential ordinary shares as the share options and share grants have lapsed.

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B13 Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax has been arrived at after crediting/(charging):

	Individual quarter		Cumulative quarter	
	Current year quarter 30/06/2025 RM'000	Preceding year quarter 30/06/2024 RM'000	Current year to-date 30/06/2025 RM'000	Preceding year to-date 30/06/2024 RM'000
Interest income	881	318	1,403	564
Other income:				
Miscellaneous	(2,987)	6	(2,969)	484
Interest expense	(6,425)	(4,863)	(12,944)	(9,568)
Depreciation of property, plant and equipment	(525)	(448)	(1,050)	(903)
Amortisation of intangible assets	(302)	(304)	(606)	(608)
Reversal/(Impairment) loss on:				
- Trade receivables	-	214	-	214
Employee benefits expense	(13,881)	(7,592)	(24,066)	(17,280)
Rental of premises	(71)	(81)	(116)	(163)
Rental of office equipment	(1,346)	(13)	(1,411)	(14)

B14 Status of Utilisation of Proceeds

Status of utilisation of proceeds from Private Placement dated 6 March 2024:

No.	Purpose	Proposed Utilisation		Actual Amount Raised RM'000	Actual Utilisation RM'000	Intended timeframe for utilisation from listing date (7 December 2022)	Balance of unutilised proceeds RM'000
		Base Scenario RM'000	Maximum Scenario RM'000				
1	Future Viable Investment	-	-	-	-	-	-
	Working Capital						
2	HSSB	11,396	-	11,800	11,800	Within 24 months	-
3	General	3,000	-	3,000	3,000	Within 24 months	-
4	Estimated expenses in relation to the Proposed Private Placement	380	-	380	380	Upon completion of the Proposed Private Placement	-
		14,776	-	15,180	15,180		-

B15 Derivatives

The Group did not enter into any derivatives during the current period under review.

B16 Disclosure of Gain/Losses from Fair Value Changes of Financial Liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the current period under review.