



NAIM HOLDINGS BERHAD

Registration No.: 200201017804 (585467-M)

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the first quarter and three months ended 31 March 2025

(The figures have not been audited)

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31 March		31 March	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	42,266	80,905	42,266	80,905
Cost of sales	(38,960)	(76,965)	(38,960)	(76,965)
Gross profit	3,306	3,940	3,306	3,940
Other operating income	1,702	726	1,702	726
Selling and promotional expenses	(1,062)	(1,188)	(1,062)	(1,188)
Administrative expenses	(4,513)	(5,543)	(4,513)	(5,543)
Other operating expenses	(4,437)	(4,994)	(4,437)	(4,994)
Results from operating activities	(5,004)	(7,059)	(5,004)	(7,059)
Finance income	1,734	1,499	1,734	1,499
Finance costs	(1,338)	(2,568)	(1,338)	(2,568)
Net finance income/(costs)	396	(1,069)	396	(1,069)
Other non-operating expenses	-	(24)	-	(24)
Share of results (net of tax) of equity-accounted:				
- associates	2,653	12,096	2,653	12,096
- joint ventures	3	-	3	-
(Loss)/Profit before tax	(1,952)	3,944	(1,952)	3,944
Tax expense	(1,366)	(1,089)	(1,366)	(1,089)
(Loss)/Profit for the period	(3,318)	2,855	(3,318)	2,855
Other comprehensive (expenses)/income, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(473)	1	(473)	1
Share of other comprehensive (expenses)/income of associates	(1,312)	5,481	(1,312)	5,481
Other comprehensive (expenses)/income for the period	(1,785)	5,482	(1,785)	5,482
Total comprehensive (expenses)/income for the period	(5,103)	8,337	(5,103)	8,337
(Loss)/Profit attributable to:				
Owners of the Company	(3,042)	2,992	(3,042)	2,992
Non-controlling interests	(276)	(137)	(276)	(137)
(Loss)/Profit for the period	(3,318)	2,855	(3,318)	2,855
Total comprehensive (expenses)/income attributable to:				
Owners of the Company	(4,827)	8,474	(4,827)	8,474
Non-controlling interests	(276)	(137)	(276)	(137)
Total comprehensive (expenses)/income for the period	(5,103)	8,337	(5,103)	8,337
Basic and diluted (loss)/earnings per ordinary share (EPS) (sen)	(0.61)	0.60	(0.61)	0.60

The notes set out on pages 5 to 19 form an integral part of, and should be read in conjunction with, these condensed consolidated interim financial statements.

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
As at 31 March 2025 (The figures have not been audited)			
		Unaudited	Audited
		31 March	31 December
		2025	2024
		RM'000	RM'000
ASSETS			
Property, plant and equipment		123,040	122,058
Interests in associates		500,343	518,630
Interests in joint ventures		2,121	2,117
Inventory		137,669	137,669
Investment properties		63,612	64,104
Intangible assets		43	43
Deferred tax assets		1,680	1,683
Other investments		3,024	3,024
Total non-current assets		831,532	849,328
Inventories		562,613	559,464
Contract costs		2,542	2,707
Contract assets		40,320	51,149
Trade and other receivables		65,983	58,543
Deposits and prepayments		4,497	4,605
Current tax recoverable		1,605	1,683
Other financial assets		6,994	6,994
Cash and cash equivalents		365,826	369,098
		1,050,380	1,054,243
Assets classified as held for sale		80	88
Total current assets		1,050,460	1,054,331
Total assets		1,881,992	1,903,659
EQUITY			
Share capital		454,802	454,802
Treasury shares		(34,748)	(34,748)
Reserves		1,103,683	1,108,510
Total equity attributable to owners of the Company		1,523,737	1,528,564
Non-controlling interests		16,367	16,643
Total equity		1,540,104	1,545,207
LIABILITIES			
Loans and borrowings	Note 8	20,342	21,721
Deferred tax liabilities		20,384	20,391
Total non-current liabilities		40,726	42,112
Loans and borrowings	Note 8	72,070	77,461
Trade and other payables		212,260	213,513
Contract liabilities		573	593
Current tax payable		16,259	24,773
Total current liabilities		301,162	316,340
Total liabilities		341,888	358,452
Total equity and liabilities		1,881,992	1,903,659
Net assets (NA) per ordinary share attributable to owners of the Company (RM), based on total paid-up share capital		2.97	2.98

The notes set out on pages 5 to 19 form an integral part of, and should be read in conjunction with, these condensed consolidated interim financial statements.
The consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the first quarter and three months ended 31 March 2025

(The figures have not been audited)

		Total equity attributable to owners of the Company						
		Non-Distributable				Distributable		
		Share capital RM '000	Foreign currency translation reserve RM '000	Treasury shares RM '000	Other reserve RM '000	Retained earnings RM '000	Sub-total RM '000	Non-controlling interests RM '000
								Total equity RM '000
<u>For the 3 months ended 31 March 2024 (Unaudited)</u>								
At 1 January 2024, audited		454,802	29,542	(34,748)	113	857,829	1,307,538	16,877
<i>Foreign currency translation differences for foreign operations</i>		-	1	-	-	-	1	-
<i>Share of other comprehensive income of associates</i>		-	5,481	-	-	-	5,481	-
Total other comprehensive income for the period		-	5,482	-	-	-	5,482	-
Profit/(Loss) for the period		-	-	-	-	2,992	2,992	(137)
Total comprehensive income/(expenses) for the period		-	5,482	-	-	2,992	8,474	(137)
At 31 March 2024		454,802	35,024	(34,748)	113	860,821	1,316,012	16,740
<u>For the 3 months ended 31 March 2025 (Unaudited)</u>								
At 1 January 2025, audited		454,802	22,356	(34,748)	141	1,086,013	1,528,564	16,643
<i>Foreign currency translation differences for foreign operations</i>		-	(473)	-	-	-	(473)	-
<i>Share of other comprehensive expenses of associates</i>		-	(1,312)	-	-	-	(1,312)	-
Total other comprehensive expenses for the period		-	(1,785)	-	-	-	(1,785)	-
Loss for the period		-	-	-	-	(3,042)	(3,042)	(276)
Total comprehensive expenses for the period		-	(1,785)	-	-	(3,042)	(4,827)	(276)
At 31 March 2025		454,802	20,571	(34,748)	141	1,082,971	1,523,737	16,367

The notes set out on pages 5 to 19 form an integral part of, and should be read in conjunction with, these condensed consolidated interim financial statements.
The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF CASH FLOWS		
For the first quarter and three months ended 31 March 2025		
<i>(The figures have not been audited)</i>		
	Unaudited	Unaudited
	31 March	31 March
	2025	2024
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(1,952)	3,944
<i>Adjustments for:</i>		
Amortisation of investment properties	499	512
Depreciation of property, plant and equipment	2,405	2,829
Dividend income from unquoted shares	-	(40)
Finance income	(1,734)	(1,499)
Finance costs	1,338	2,568
Loss/(Gain) on disposal of:		
- an associate	-	24
- property, plant and equipment	(20)	-
Property, plant and equipment written off	12	-
Net change in impairment loss on financial assets and contract assets	40	-
Share of results of equity-accounted:		
- associates	(2,653)	(12,096)
- joint ventures	(3)	-
Unrealised foreign exchange loss/(gain)	8	(154)
Operating loss before changes in working capital	(2,060)	(3,912)
Changes in working capital:		
Inventories	(3,142)	1,439
Contract assets/liabilities	10,809	55,976
Contract costs	165	(854)
Trade and other receivables, deposits and prepayments	(7,713)	(56,898)
Trade and other payables	(1,666)	(8,934)
Cash used in operations	(3,607)	(13,183)
Net income taxes paid	(9,808)	(848)
Net cash used in operating activities	(13,415)	(14,031)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
- property, plant and equipment	(3,405)	(71)
- investment properties	(7)	-
Proceeds from disposal of property, plant and equipment	20	-
Dividends received from:		
- an associate	19,628	8,412
- unquoted shares	-	40
Interest received	2,075	1,628
Net cash from investing activities	18,311	10,009
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of loans and borrowings	(6,727)	(10,015)
Net repayment of hire purchases	(43)	(40)
Interest paid	(1,390)	(2,603)
Net cash used in financing activities	(8,160)	(12,658)
Net decrease in cash and cash equivalents	(3,264)	(16,680)
Effects of exchange rate changes on cash and cash equivalents	(8)	154
Cash and cash equivalents at beginning of period	369,098	220,868
CASH AND CASH EQUIVALENTS AT END OF PERIOD	365,826	204,342
Representing by:		
Deposits with licensed banks with maturities less than three months, net of deposits pledged	285,070	150,493
Cash in hand and at banks	80,756	53,849
Total cash and cash equivalents as shown in statement of cash flows	365,826	204,342

The notes set out on pages 5 to 19 form an integral part of, and should be read in conjunction with, these condensed consolidated interim financial statements.
The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Naim Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed consolidated interim financial statements of the Group as at and for the period ended 31 March 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in associates and joint ventures.

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134, *Interim Financial Reporting* in Malaysia and IAS 134, *Interim Financial Reporting*.

The condensed consolidated interim financial statements do not include all of the information required for a set of complete annual financial statements and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2024. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual audited consolidated financial statements as at and for the year ended 31 December 2024.

The annual audited financial statements of the Group as at and for the year ended 31 December 2024 are available upon request from the Company's registered office at 9th floor, Wisma Naim, 2 ½ Mile, Rock Road, 93200 Kuching, Sarawak, Malaysia.

2. Significant accounting policies

The accounting policies adopted by the Group in preparing the condensed consolidated interim financial statements are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2024, except as explained below.

During the current period under review, the Group has adopted the following amendments to the Malaysian Financial Reporting Standards ("MFRSs") which are effective for annual periods beginning on 1 January 2025:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

The adoption of the above MFRS amendments did not have any material financial impact on the financial statements of the Group.

2.1 MFRSs and/or amendments yet to be effective for adoption

The Group has not applied the following MFRSs and amendments that have been issued by the Malaysian Accounting Standards Board but are neither effective yet nor early adopted by the Group:

- ***MFRSs effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*
- 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*

- ***MFRSs effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

- ***MFRSs effective from a date yet to be determined***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial applications of the above-mentioned MFRSs and amendments are not expected to have any material financial impacts on the current period and prior periods' financial statements of the Group.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Seasonality or cyclical of operations

The business operations of the Group are not materially affected by any seasonal or cyclical fluctuations during the period under review.

4. Estimates

The preparation of the condensed consolidated interim financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although these estimates and judgements are based on the management's best knowledge of current events and actions, actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the areas of estimation uncertainty comprise those disclosed in the annual audited financial statements for the year ended 31 December 2024.

5. Debt and equity securities

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the period under review.

There was no share buy-back during the period under review. The total number of ordinary shares repurchased in earlier periods retained as treasury shares as of 31 March 2025 remains at 13,056,000 shares.

6. Acquisitions and/or disposals of property, plant and equipment and investment properties

During the current period, the Group incurred about RM3.4 million (31.03.2024: RM71,000) for the acquisition of property, plant and equipment and/or investment properties (including assets under construction, where applicable), which were satisfied in cash.

Property, plant and equipment and investment properties with total carrying amounts of about RM12,000 (31.03.2024: Nil) were also either disposed of and/or written off during the period under review.

7. Changes in the composition of the Group

There were no major changes in the composition of the Group during the period under review.

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. Loans and borrowings

		31 March 2025 RM'000	31 December 2024 RM'000
<i>Non-current</i>			
Secured	- Term loans	20,220	21,558
	- Hire purchases	122	163
		<u>20,342</u>	<u>21,721</u>
<i>Current</i>			
Unsecured	- Revolving credits	62,500	65,000
Secured	- Term loans	9,409	12,298
	- Hire purchases	161	163
		<u>72,070</u>	<u>77,461</u>
	Total	<u><u>92,412</u></u>	<u><u>99,182</u></u>

9. Earnings per ordinary share ("EPS")

Basic and diluted earnings per ordinary share

The calculation of the basic and diluted EPS was based on the net (loss)/profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding excluding treasury shares bought back in previous years, presented as follows:

	3 months ended 31 March 2025	2024
(Loss)/Profit attributable to ordinary shareholders (RM'000)	<u>(3,042)</u>	<u>2,992</u>
Weighted average number of ordinary shares, net of treasury shares bought back in previous years ('000)	<u>500,743</u>	<u>500,743</u>
Basic and diluted EPS (sen)	<u>(0.61)</u>	<u>0.60</u>

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10. Dividend

No dividend was declared/paid by the Board during the current period under review.

11. Operating segments

The Group has three reportable segments, which are the Group's strategic business units. For each of the strategic business units, the Group Managing Director (GMD) (being the Chief Operating Decision Maker), reviews internal management reports for resource allocation and decision making at least on a quarterly basis.

The following summary describes the operations in each of the Group's existing reporting segments.

Property development - Development and construction of residential, commercial and industrial properties (including sale of vacant land and vacant lot with infrastructure).

Construction - Construction of buildings, roads, bridges and other infrastructure and engineering works (including oil and gas related construction projects).

Others - All other business segments with profit contributions less than 10%. This includes trading of building and construction materials, provision of sand extraction and land filling services, property investment and management, hotel and other accommodation operations, education as well as quarry operation.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the GMD. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within these industries.

There are varying levels of integration between the reportable segments. Inter-segment pricing is determined on negotiated terms. Unallocated items mainly comprise corporate and headquarters expenses and other investment income, which are managed on a group basis and are not allocated to any operating segment.

Segment assets and liabilities

The GMD reviews the statements of financial position of subsidiaries for resource allocation and decision making, instead of a summary of consolidated assets and liabilities by segments. As such, information on segment assets and segment liabilities is not presented.



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11. Operating segments (continued)

	Property development		Construction		Others		Inter-segment elimination		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
For the period ended 31 March										
Revenue from external customers	12,221	8,874	21,900	64,774	8,145	7,257	-	-	42,266	80,905
Inter segment revenue	-	-	105	1,362	619	912	(724)	(2,274)	-	-
Total segment revenue	12,221	8,874	22,005	66,136	8,764	8,169	(724)	(2,274)	42,266	80,905
Segment loss	(1,287)	(3,056)	(930)	(1,102)	(1,676)	(2,139)	(385)	(706)	(4,278)	(7,003)
Share of results (net of tax) of:										
- associates, other than Dayang Enterprise Holdings Bhd. ("DEHB group")	(424)	403	207	4,704	-	-	-	-	(217)	5,107
- joint ventures	-	-	3	-	-	-	-	-	3	-
	(1,711)	(2,653)	(720)	3,602	(1,676)	(2,139)	(385)	(706)	(4,492)	(1,896)
Unallocated expense									(330)	(1,125)
Loss on deemed disposal of interest in an associate, Perdana Petroleum Berhad									-	(24)
Share of results (net of tax) of an associate, DEHB (in oil and gas segment)									2,870	6,989
Tax expense									(1,366)	(1,089)
(Loss)/Profit for the period									(3,318)	2,855
Other comprehensive (expenses)/income, net of tax									(1,785)	5,482
Total comprehensive (expenses)/income for the period									(5,103)	8,337
Non-controlling interests									276	137
Total comprehensive (expenses)/income attributable to the owners of the Company									(4,827)	8,474

QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

12. Subsequent events

There are no material events subsequent to the end of the period reported on, that have not been reflected in the condensed consolidated interim financial statements for the said period, made up to the date of this quarterly report.

13. Contingencies

There were no contingent liabilities in respect of the Group that had arisen since 31 December 2024 till the date of this quarterly report, except for those disclosed in Note 22.

14. Capital expenditure commitments

	31 March 2025 RM'000	31 December 2024 RM'000
<i>Property, plant and equipment</i>		
- Authorised but not contracted for	45,000	45,000

15. Financial risk management

The Group's financial risk management objectives, policies and processes and risk profiles are consistent with those disclosed in the annual audited financial statements as at and for the year ended 31 December 2024.



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QUARTERLY REPORT - FOR THE FIRST QUARTER ENDED 31 MARCH 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

16. Related parties

i) *Transactions with key management personnel*

Compensations payable/paid to key management personnel

	3 months ended 31 March	
	2025	2024
	RM'000	RM'000
Directors of the Company	1,136	930
Other key management personnel	1,014	973
	<u>2,150</u>	<u>1,903</u>

ii) *Other related party transactions*

	Transaction value 3 months ended 31 March		Balance outstanding as at 31 March	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>Transactions with associates</u>				
Construction contract costs	15,902	22,526	(13,619)	(16,106)
Construction contract sum billed	-	-	745	2,256
Dividend income receivable	(19,628)	(8,412)	-	-
Rental income from premises	(18)	(28)	-	6
Sales of goods	<u>(128)</u>	<u>(102)</u>	<u>-</u>	<u>93</u>



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Other notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

17. Review of Group performance

Current 3-month vs. corresponding preceding 3-month review (March 2025 vs. March 2024)

	Cumulative quarters	
	3 months ended	
	31 March 2025	31 March 2024
	RM'000	RM'000
Revenue	42,266	80,905
(Loss)/Profit before tax	(1,952)	3,944

When compared to the revenue achieved in the corresponding quarter of 2024 of RM80.9 million, the Group reported a lower revenue of RM42.3 million during the current period, mainly due to lower sales secured and lower work progress achieved for the existing on-going construction projects.

At the same time, the Group registered a net loss before tax of RM2.0 million, against a net profit before tax of RM3.9 million reported in March 2024. The fluctuation in the net results is explained as follows:

- segment loss of RM4.3 million recorded from its core business operations, compared to the segment loss of RM7.0 million in March 2024 (see Note 11).
- lower contribution from our major associate, Dayang Enterprise Holdings Bhd. ("DEHB"), with the Group's share of profit (after tax) decreasing from RM7.0 million in March 2024 to RM3.0 million in the current period under review.

Current 3-month vs. immediate preceding 3-month review (March 2025 vs. December 2024)

	Current	Immediate preceding
	3 months ended	3 months ended
	31 March 2025	31 December 2024
	RM'000	RM'000
Revenue	42,266	300,886
(Loss)/Profit before tax	(1,952)	182,947

When compared to the immediate preceding quarter (October to December 2024), both group revenue and profit decreased substantially mainly due to lower site work progress reported by its existing on-going construction projects and lower sales secured during the current period.



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Other notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

17. Review of Group performance (continued)

Current 3-month vs. immediate preceding 3-month review (March 2025 vs. December 2024) (continued)

Substantial sums of revenue and profit were reported during the immediate preceding 3-month period (October to December 2024) as a result of the completion of a land sale transaction.

Detailed reviews of the performance and prospects of each operating segment (as shown in Note 11) are discussed in Section 17.1 below.

17.1 Review of performance of operating segments and current year's prospects

a) *Property development*

Current 3-month vs. corresponding preceding 3-month review (March 2025 vs. March 2024)

	Cumulative quarters	
	3 months ended	
	31 March 2025	31 March 2024
	RM'000	RM'000
Revenue	12,221	8,874
Segment loss	(1,287)	(3,056)

The Property Development segment reported some improvements in its revenue and performance during the current period under review. This improvement was mainly attributable to higher work progress achieved from existing ongoing development projects. The Group also managed to secure new property sales of about RM9.6 million (31.3.2024: RM14.9 million) during the period.

Current 3-month vs. immediate preceding 3-month review (March 2025 vs. December 2024)

	Current	Immediate preceding
	3 months ended	3 months ended
	31 March 2025	31 December 2024
	RM'000	RM'000
Revenue	12,221	243,341
Segment (loss)/profit	(1,287)	184,126

During the current 3-month period, the segment revenue and performance were mainly contributed by the increased work progress from its development projects as well as additional property sales of RM9.6 million.

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Other notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

17. Review of Group performance (continued)

17.1 Review of performance of operating segments and current year's prospects (continued)

a) *Property development (continued)*

Current 3-month vs. immediate preceding 3-month review (March 2025 vs. December 2024) (continued)

In the immediate preceding quarter, the Segment reported a substantial amount of revenue and profit following the completion of a land sale transaction of RM223.4 million.

Prospects

Although the Malaysian property sector continues to show signs of gradual recovery but remain soft in the near term, we maintain a positive outlook on the upcoming growth prospects, particularly in Sarawak. Our primary emphasis and focus will be continuous understanding and meeting customers' needs by offering quality properties and services, with a cautious approach to product launches, carefully considering factors such as product features, quality, timing, and project scale. We have continuously implemented various sales and marketing initiatives to clear our existing inventory while cautiously introducing new projects at competitive prices amid rising costs of materials and financing.

b) ***Construction***

Current 3-month vs. corresponding preceding 3-month review (March 2025 vs. March 2024)

	Cumulative quarters	
	3 months ended	
	31 March 2025	31 March 2024
	RM'000	RM'000
Revenue	21,900	64,774
Segment loss	(930)	(1,102)

When compared to the corresponding period of 2024, the Construction revenue had decreased substantially, mainly due to lower work progress from the existing on-going projects. The Segment registered a marginal loss during the current period due to the incurrence of fixed overhead costs.



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Other notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

17. Review of Group performance (continued)

17.1 Review of performance of operating segments and current year's prospects (continued)

b) Construction (continued)

*Current 3-month vs. immediate preceding 3-month review
(March 2025 vs. December 2024)*

	Current	Immediate preceding
	3 months ended	3 months ended
	31 March 2025	31 December 2024
	RM'000	RM'000
Revenue	21,900	46,612
Segment loss	(930)	(3,320)

Lower construction revenue was reported during the period under review, mainly contributed by the decreased work progress at sites from its existing ongoing construction projects. Nevertheless, this segment recorded a lower loss, mainly due to lower interest costs and fixed overheads incurred.

Prospects

The current projects on hand are under close monitoring by management to ensure that these projects are completed within the targeted timeline and achieve the expected returns.

c) Other Segment

*Current 3-month vs. corresponding preceding 3-month review
(March 2025 vs. March 2024)*

	Cumulative quarters	
	3 months ended	
	31 March 2025	31 March 2024
	RM'000	RM'000
Revenue	8,145	7,257
Segment loss	(1,676)	(2,139)

The other Segment recorded some improvement in both revenue and performance during the current period under review, mainly attributable to improved occupancies and rates from its hotel and accommodation operations.



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Other notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

17. Review of Group performance (continued)

17.1 Review of performance of operating segments and current year's prospects (continued)

c) Other Segment (continued)

*Current 3-month vs. immediate preceding 3-month review
(March 2025 vs. December 2024)*

	Current	Immediate preceding
	3 months ended	3 months ended
	31 March 2025	31 December 2024
	RM'000	RM'000
Revenue	8,145	10,933
Segment loss	(1,676)	(934)

Other segment revenue and performance had declined during the current 3-month period, mainly due to lower quarry sales and lower occupancies achieved from our hotel operations. The segment continued to register a net loss due to the incurrence of some fixed overheads and interest expenses.

Prospects

The Group expects contributions from this Segment to gradually improve in the near term, particularly in the retail and commercial leasing and hotel businesses in Bintulu and Miri.

Some assets enhancement initiatives will be gradually carried out in the near future to ensure our retail, commercial and hospitality assets remain relevant in the market to achieve better investment yields which we believe may take some time to materialise.

We will also gradually implement various operational platforms to improve productivity and operational efficiency while controlling overheads. More prudent debt management practices are also implemented with close monitoring and management of collections from retail leasing businesses.

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17. Review of Group performance (continued)

17.2 Review of performance of major associate

For the period under review, our associate, Dayang Enterprise Holdings Bhd. ("DEHB"), reported an unaudited net profit after tax attributable to owners of about RM12.3 million, against a net profit after tax of RM27.9 million in the corresponding period of 2024. The decrease in DEHB's performance during the current period was mainly due to lower work orders/contracts as well as lower vessel chartering rates and vessel utilisation rates.

DEHB's estimated call-out contract value as announced in its latest unaudited quarterly report for the first quarter ended 31 March 2025 is about RM5.1 billion.

18. Tax expense

The Group incurred a tax expense of about RM1.4 million for the current period, despite the net loss (excluding other non-operating income and shares of after-tax results of associates and joint ventures) for the quarter, mainly due to higher non-deductible expenses, the effect of non-recognition of additional deferred tax assets arising from certain loss-making and low-performing operations.

19. Additional disclosures on loss/profit before tax

	3 months ended 31 March 2025	
	2025	2024
	RM'000	RM'000
Loss/Profit before tax is arrived at after charging/(crediting):		
(Gain)/Loss on disposal of:		
- property, plant and equipment	(20)	-
- an associate	-	24
Interest income from fixed deposits and cash funds	(1,490)	(1,005)
Other interest income	(244)	(494)
Amortisation of investment properties	499	512
Depreciation of property, plant and equipment	2,405	2,829
Property, plant and equipment written off	12	-
Foreign exchange loss/(gain):		
- unrealised	8	(154)
- realised	11	10
Interest expense on loans and borrowings	1,338	2,568
Net change in impairment loss on financial assets and contract assets	40	-

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19. Additional disclosures on loss/profit before tax (continued)

Save as disclosed, there were no other material provisions for, and write-off of, inventories, gain or loss arising from the disposal of financial derivatives or other exceptional items for the period under review.

20. Profit guarantee

The Group did not issue any profit guarantee.

21. Derivative financial instruments

The Group does not have any outstanding financial derivatives as at 31 March 2025.

22. Material litigation

There are no material litigations involving the Group during the period under review.

23. Status of corporate proposals

There are no corporate proposals announced and/or not completed at the date of this quarterly report.

24. Auditors' report on preceding annual financial statements

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2024 was not qualified.

25. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 May 2025.