MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
(Company No.: 198901001515 (178821-X))

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 30 September 2025
The figures have not been audited

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	QUARTER ENDED		CUMULATIVE 9 MONTHS ENDED	
	30 Sep 2025 RM '000	30 Sep 2024 RM '000	30 Sep 2025 RM '000	30 Sep 2024 RM '000
Revenue	509,861	906,457	1,394,534	2,790,951
Other operating income/(expense)	2,585	(6,146)	11,018	26,815
Operating profit	31,647	20,773	60,148	114,314
Finance cost	(3,023)	(4,815)	(8,512)	(13,076)
Profit before taxation	28,624	15,958	51,636	101,238
Taxation	(425)	(698)	(1,144)	(1,585)
Profit after taxation	28,199	15,260	50,492	99,653
Other comprehensive income:				
Fair value through other comprehensive income:				
Changes in fair value of hedging derivatives	(539)	40,646	7,611	39,846
Total comprehensive income for the period	27,660	55,906	58,103	139,499
Profit attributable to:				
Equity holders of the Company	28,265	15,274	50,558	99,614
Non-controlling interests	-	(14)	(66)	39
	28,265	15,260	50,492	99,653
Total comprehensive income attributable to:				
Equity holders of the Company	27,660	55,920	58,169	139,460
Non-controlling interests	-	(14)	(66)	39
	27,660	55,906	58,103	139,499
Profit per share attributable to equity holders of the Company:				
(i) Basic (sen)	1.8	1.0	3.2	6.2
(ii) Dilutive (sen)	1.8	1.0	3.2	6.2

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

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Non-current assets		
Property, plant and equipment	1,605,390	1,534,988
Right-of-use assets	181,572	187,480
Investment in joint ventures	57	57
Deferred tax assets	94,047	94,047
	1,881,066	1,816,572
Current assets		
Inventories	2,310	2,637
Trade and other receivables	939,392	1,253,712
Cash and bank balances	469,653	457,591
	1,411,355	1,713,940
TOTAL ASSETS	**3,292,421**	**3,530,512**
Equity attributable to equity holders of the Company		
Share capital	1,618,263	1,618,263
Cash flow hedge reserve	(74)	(7,685)
Accumulated losses	(180,503)	(231,061)
	1,437,686	1,379,517
Non-controlling interests	773	839
Total equity	1,438,459	1,380,356
Non-current liabilities		
Borrowing	191,190	221,949
Lease liabilities	5,981	6,479
	197,171	228,428
Current liabilities		
Trade and other payables	1,614,980	1,879,924
Borrowing	40,714	39,303
Lease liabilities	681	753
Derivatives	122	1,278
Tax payable	294	470
	1,656,791	1,921,728
Total liabilities	1,853,962	2,150,156
TOTAL EQUITY AND LIABILITIES	**3,292,421**	**3,530,512**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	30 Sep 2025 RM '000	30 Sep 2024 RM '000
Profit before taxation	51,636	101,238
Adjustments for:		
Property, plant and equipment		
- depreciation	53,533	52,297
Right-of-use assets		
- amortisation	5,908	5,907
Net allowance/(reversal) of impairment loss on trade receivables	91	(1,418)
Interest income	(8,930)	(6,914)
Net unrealised loss on foreign exchange	3,647	9,175
Changes in fair value of hedging derivatives	6,455	(26,361)
Finance cost	8,512	13,076
Operating profit before working capital changes	120,852	147,000
Inventories	326	(83)
Trade and other receivables	313,991	(302,523)
Trade and other payables	(263,871)	(21,354)
Cash generated from/(used in) operations	171,298	(176,960)
Tax paid	(1,320)	(1,537)
Net cash generated from/(used in) operating activities	169,978	(178,497)
Purchase of property, plant and equipment	(123,935)	(51,166)
Interest received	4,449	3,262
Net cash used in investing activities	(119,486)	(47,904)
Drawdown of revolving credits	75,000	244,000
Repayment of revolving credits	(75,000)	(137,000)
Interest paid on revolving credits	(225)	(3,377)
Repayment of principal on long term borrowing	(29,348)	(28,158)
Interest paid on long term borrowing	(8,040)	(9,426)
Payment of lease liabilities	(570)	(546)
Interest paid on lease liabilities	(247)	(273)
Net cash (used in)/generated from financing activities	(38,430)	65,220
Net change in cash & cash equivalents	12,062	(161,181)
Cash & cash equivalents at the beginning of the period	445,409	545,389
Cash & cash equivalents at the end of the period	**457,471**	**384,208**
Cash at banks and in hand	146,365	70,195
IFSSC bank balance	161,873	206,166
Deposits with licensed banks	161,415	120,029
	469,653	396,390
Less: Cash pledged with the bank - restricted	(12,182)	(12,182)
	457,471	**384,208**

MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
(Company No.: 198901001515 (178821-X))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	<--Attributable to equity holders of the Company-->					
	Share Capital	Accumulated Losses	Fair Value through OCI Reserve	Total	Non-controlling Interests	Total Equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
9 MONTHS ENDED 30 SEPTEMBER 2025						
At 1 January 2025	1,618,263	(231,061)	(7,685)	1,379,517	839	1,380,356
Total comprehensive income	-	50,558	7,611	58,169	(66)	58,103
At 30 September 2025	1,618,263	(180,503)	(74)	1,437,686	773	1,438,459
9 MONTHS ENDED 30 SEPTEMBER 2024						
At 1 January 2024	1,618,263	(352,057)	325	1,266,531	809	1,267,340
Total comprehensive income	-	99,614	39,846	139,460	39	139,499
At 30 September 2024	1,618,263	(252,443)	40,171	1,405,991	848	1,406,839

NOTES TO THE UNAUDITED CONDENSED FINANCIAL REPORT

A1. CORPORATE INFORMATION

Malaysia Marine and Heavy Engineering Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Berhad.

These unaudited condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 13 November 2025.

A2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements for the period ended 30 September 2025 have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Berhad. The results for this interim financial statements are unaudited and should be read in conjunction with the Group's audited consolidated financial statements and the accompanying notes 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 understand the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

The audited consolidated financial statements of the Group for the year ended 31 December 2024 are available upon request from the Group's registered office located at Level 31, Menara Dayabumi, Jalan Sultan Hishamuddin, 50050 Kuala Lumpur. The functional currency of the Group is Ringgit Malaysia ("RM").

A3. SIGNIFICANT ACCOUNTING POLICIES

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for the financial year ending 31 December 2025 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for the financial year ended 31 December 2024.

As at 1 January 2025, the Group has adopted the following revised MFRSs and Amendments to MFRSs (collectively referred to as "pronouncements") that have been issued by the MASB:

Effective for annual periods beginning on or after 1 January 2025

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

The adoption of the above pronouncement has no material financial impact to the Group.

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Group for the year ended 31 December 2024 were not subjected to any audit qualification.

A5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are subject to fluctuations in level of activities in the oil and gas, renewable and shipping industries.

A6. EXCEPTIONAL ITEMS

There were no exceptional items during the current period other than as disclosed in the condensed consolidated interim financial statements.

A7. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in estimates of the amounts reported in the most recent audited financial statements of the Group for the year ended 31 December 2024 that may have a material effect in the current period results.

A8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities made by the Group during the period ended 30 September 2025.

A9. BORROWINGS

The tenure of Group borrowings is as follows:

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Secured - Term Loan		
Current	40,714	39,303
Non-current	191,190	221,949
	231,904	261,252

A10. SEGMENT REPORT

Segmental analysis for the current financial period is as follows:

REVENUE AND RESULTS	Heavy Engineering RM '000	Marine RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue					
External	1,023,934	370,600	-	-	1,394,534
Results					
Operating profit/(loss)	31,460	37,912	(9,196)	(28) *	60,148
Finance costs					(8,512)
Profit before taxation					51,636

* Inter-segment transactions are eliminated on consolidation.

A11. PROFIT FOR PERIOD

	Quarter Ended		Cumulative 9 Months Ended	
	30 Sep 2025	**30 Sep 2024**	**30 Sep 2025**	**30 Sep 2024**
	RM '000	**RM '000**	**RM '000**	**RM '000**
Included in the profit for the period are the following items:				
Depreciation of property, plant and equipment	18,467	17,427	53,533	52,297
Amortisation of right-of-use assets	1,969	1,969	5,908	5,907
Changes in fair value of hedging derivatives	3,057	(2,084)	6,455	(26,361)
Finance cost	3,023	4,815	8,512	13,076
Net (reversal)/allowance of impairment loss on receivables	(451)	(2,808)	91	(1,418)
Rental expenses				
- Plant and machineries	2,688	5,960	7,248	17,083
- Office equipment	1,253	2,061	4,742	5,835
- Transportation	1,854	1,462	5,426	5,007
- Others	41	141	418	337
Net income from scrap disposal	(1,695)	(3,245)	(5,138)	(4,194)
Interest income	(3,639)	(3,107)	(8,930)	(6,914)
Net unrealised loss on foreign exchange	5,918	14,298	3,647	9,175
Rental income	(475)	(484)	(1,464)	(1,969)

A12. VALUATION OF PROPERTY

The valuations of land and buildings have been brought forward without any amendments from the most recent annual audited financial statements as no revaluation has been carried out since 31 December 2024.

A13. SUBSEQUENT MATERIAL EVENTS

Petrofac Limited ("Petrofac") had on 23 October 2025 issued an announcement to the London Stock Exchange that it had received notification from TenneT terminating its scope of work on the 2GW programme with immediate effect. This Petrofac announcement did not specifically refer to the Subcontracts between the Company's wholly-owned and major subsidiary, Malaysia Marine and Heavy Engineering Sdn Bhd ("MMHE") and Petrofac International ("UAE") LLC, a subsidiary of Petrofac.

Pursuant to that announcement, TenneT as the ultimate client is undertaking the novation of the Subcontracts to formalise the transfer of contractual obligations to ensure its continuity. During this period, MMHE is continuing to perform its obligations under the Subcontracts.

A14. CHANGES IN THE COMPOSITION OF THE GROUP

1) Incorporation of a Jointly Controlled Entity

On 9 May 2025, Floating Production Solutions Sdn. Bhd. ("FPS") was incorporated as an indirect joint venture under the Malaysian Companies Act 2016. The incorporation was pursuant to a Shareholders' Agreement dated 19 March 2025 between MMHE and MISC OBU One (L) Pte. Ltd. ("MISC OBU"), an indirect wholly-owned subsidiary of MISC Berhad ("MISC"). MISC is the Company's immediate holding company. Both MMHE and MISC OBU hold equal shareholding of 50% in FPS. The principal activity of FPS is to provide competitive Engineering, Procurement, and Construction ("EPC") services to meet the demand for floating production systems in the oil and gas industry.

2) Dissolution of Subsidiaries

The following dormant subsidiary of the Company and subsidiaries of MMHE were dissolved on the dates below:-

a) Techno Indah Sdn Bhd - 8 April 2025.
b) MMHE International Sdn Bhd - 5 May 2025.
c) MMHE LNG Sdn Bhd - 29 May 2025.

The dissolution of the above followed the expiration of three-month period from the date of the lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia.

A14. CHANGES IN THE COMPOSITION OF THE GROUP (CONTINUED)

The dissolutions has no material impact on the net assets per share, earning per share or gearing of the Group for the financial year ending 31 December 2025.

A15. DISCONTINUED OPERATIONS

There were no discontinued operations in the Group during the period under review.

A16. CONTINGENT LIABILITIES

Contingent liabilities of the Group as at 30 September 2025 comprise the following:

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Unsecured		
Bank guarantees extended to:-		
- Related companies	534,558	556,153
- Third parties	482,771	477,673
	1,017,329	1,033,826

A17. CAPITAL COMMITMENTS

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Approved and contracted for	47,470	120,274
Approved but not contracted for	62,934	152,860
	110,404	273,134

The outstanding capital commitments relate to the infrastructure upgrading works and other capital expenditure.

A18. FAIR VALUE HIERARCHY

The Group uses the following hierarchy to determine the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities
Level 2 - Inputs that are based on observable market data, either directly or indirectly
Level 3 - Inputs that are not based on observable market data

	Fair value of financial instruments carried at fair value			
	Level 1 RM '000	Level 2 RM '000	Level 3 RM '000	Total RM '000
At 30 September 2025				
Financial liability				
Forward currency contracts	-	122	-	122
At 31 December 2024				
Financial liability				
Forward currency contracts	-	1,278	-	1,278

A18. FAIR VALUE HIERARCHY (CONTINUED)

As at the reporting date, the Group held the following financial asset and liability:

	Fair value of financial instruments not carried at fair value				
	Level 1 RM '000	**Level 2 RM '000**	**Level 3 RM '000**	**Total RM '000**	**Carrying amount RM '000**
At 30 September 2025					
Financial liability					
Term loan					
- fixed rate	-	(220,646)	-	(220,646)	(231,904)
At 31 December 2024					
Financial liability					
Term loan					
- fixed rate	-	(244,463)	-	(244,463)	(261,252)

A19. RELATED PARTY TRANSACTIONS

During the current financial period, MMHE has entered into contracts with Vestigo Petroleum Sdn. Bhd. for the provision of Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") of wellhead platforms ("WHPs").

The contracts' scope cover the execution of 3 wellhead platforms, namely Irong Timur, Berantai East and Kurma Manis fields.

Other than the above, there were no significant transactions with related parties other than those disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2024.

B1. REVIEW OF PERFORMANCE

	Quarter Ended		**Cumulative 9 Months Ended**	
	30 Sep 2025 RM '000	**30 Sep 2024 RM '000**	**30 Sep 2025 RM '000**	**30 Sep 2024 RM '000**
Revenue				
Heavy Engineering	393,764	799,911	1,023,934	2,478,451
Marine	116,097	106,546	370,600	312,500
	509,861	906,457	1,394,534	2,790,951
Results				
Heavy Engineering	27,750	19,539	31,460	87,521
Marine	9,551	11,017	37,912	33,942
Others	(5,645)	(9,774)	(9,196)	(7,121)
Eliminations/Adjustments *	(9)	(9)	(28)	(28)
Operating profit	31,647	20,773	60,148	114,314
Finance cost	(3,023)	(4,815)	(8,512)	(13,076)
Profit before taxation	28,624	15,958	51,636	101,238

* Inter-segment transactions are eliminated on consolidation.

B1. REVIEW OF PERFORMANCE (CONTINUED)

Performance of current quarter against the quarter ended 30 September 2024 (corresponding quarter)

The Group recorded a revenue of RM509.9 million for the current quarter, representing a decrease of RM396.6 million compared to the corresponding quarter. The decline was mainly attributable to lower revenue from the Heavy Engineering segment.

Despite lower revenue, the Group reported an operating profit of RM31.6 million, an increase of RM10.9 million compared to RM20.8 million in the same quarter last year. The increase in profit was primarily driven by the higher contribution from the Heavy Engineering segment.

Segmental review of performance against the corresponding quarter is as follows:

Heavy Engineering

The Heavy Engineering segment registered a revenue of RM393.8 million for the current quarter, lower by RM406.1 million from RM799.9 million revenue recorded in the corresponding quarter.The reduction in revenue was mainly due to projects approaching completion as well as newly secured projects were still in the early stages of execution.

The segment recorded an operating profit at RM27.8 million, compared to an operating profit of RM19.5 million in the corresponding quarter, notwithstanding the lower revenue. The increase in the operating profit was mainly attributable to the improvement to the favourable finalisation of completed projects.

Marine

Revenue of RM116.1 million in the current quarter was RM9.6 million higher against the corresponding quarter as a result of higher vessel conversion and repair activities.

Despite higher revenue, operating profit dipped slightly to RM9.6 million against RM11.0 million in the same quarter last year with slightly lower blended margin on conversion and marine repair works.

Share of results of joint ventures

The Group has not recorded any share of profit in joint ventures in the current quarter as most joint ventures are dormant.

Performance of current period against financial period ended 30 September 2024 (corresponding period)

The Group recorded revenue of RM1,394.5 million, reflecting a decrease of RM1,396.4 million from RM2,791.0 million reported in the corresponding period. The decline was due to lower revenue contribution from the Heavy Engineering segment.

Consequently, the Group's operating profit decreased to RM60.1 million, from RM114.3 million in the corresponding period.

Analysis of segmental performance against the corresponding period is as follows:

Heavy Engineering

The Heavy Engineering segment recorded revenue of RM1,023.9 million for the current period, a decrease from RM2,478.5 million reported in the corresponding period. The decline was primarily due to projects nearing completion as well as newly secured projects were still in the early stages of execution.

At the operating profit level, the segment recorded a profit of RM31.5 million, a decrease from the RM87.5 million reported in the same period last year. The decline in the current period's operating profit was primarily attributed to the lower level of project activities as new projects were at the beginning phases. In contrast, the operating profit in the corresponding period was driven by the cost reimbursement from client.

B1. REVIEW OF PERFORMANCE (CONTINUED)

Marine

The segment recorded revenue of RM370.6 million in the current period, representing an increase of RM58.1 million from RM312.5 million in the corresponding period. This improvement was largely supported by the higher vessel conversion and repair activities.

Operating profit for the segment rose to RM37.9 million from RM33.9 million reported in the corresponding period, mainly attributable to the higher revenue generated during the period.

Share of results of joint ventures

The Group has not recorded any share of profit in joint ventures in the current period as most joint ventures are dormant.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Quarter Ended	
	30 Sep 2025	**30 Jun 2025**
	RM '000	**RM '000**
Revenue		
Heavy Engineering	393,764	309,970
Marine	116,097	121,603
	509,861	431,573
Results		
Heavy Engineering	27,750	1,497
Marine	9,551	10,974
Others	(5,645)	675
Eliminations/Adjustments	(9)	(10)
Operating profit	31,647	13,136
Finance cost	(3,023)	(2,798)
Profit before taxation	28,624	10,338

The Group posted a higher revenue of RM509.9 million for the current quarter, compared to RM431.6 million recorded in the preceding quarter. The increase was mainly derived by the Heavy Engineering segment, which recorded higher revenue contribution as newly secured projects progress into more active construction phases.

In tandem with the higher revenue and the favourable finalisation of completed projects within the Heavy Engineering segment, the Group recorded an operating profit of RM31.6 million for the current quarter, represents an increase of RM18.5 million compared to the RM13.1 million operating profit in the preceding quarter.

B3. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 Sep 2025	**As at 31 Dec 2024**	**Variance**
	RM '000	**RM '000**	**%**
Total assets	3,292,421	3,530,512	-6.7%
Total equity attributable to equity holders of the Company	1,437,686	1,379,517	4.2%
Total liabilities	1,853,962	2,150,156	-13.8%

B3. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

The Group's total assets, which primarily comprise of property, plant and equipment, receivables and cash and bank balances, decreased by RM238.1 million during the financial period. The decline was mainly due to a reduction in trade and other receivables of RM314.3 million. The amount was partially offset by the increased cash and bank balances and property, plant and equipment amounting to RM12.1 million and RM70.4 million respectively.

Total equity attributable to equity holders increased by RM58.2 million, due to comprehensive income recognised during the period.

The Group's total liabilities decreased by RM296.2 million, primarily due to the decrease in payables and borrowings of RM264.9 million and RM29.3 million respectively.

B4. REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative 9 Months Ended		
	30 Sep 2025	30 Sep 2024	Variance
	RM '000	RM '000	%
Net cash generated from/(used in) operating activities	169,978	(178,497)	>100%
Net cash used in investing activities	(119,486)	(47,904)	>100%
Net cash (used in)/generated from financing activities	(38,430)	65,220	>100%
Net change in cash & cash equivalents	12,062	(161,181)	>100%

The Group recorded net cash generated from operating activities of RM170.0 million compared to net cash used in operating activities of RM178.5 million in the prior period primarily driven by increased collections from trade and other receivables. This was partially offset by payments to payables, but the overall net impact was positive, reflecting more efficient working capital management during the period.

The Group recorded net cash used in investing activities amounting to RM119.5 million compared to RM47.9 million in the corresponding period mainly due to higher purchases of property, plant and equipment during the current period.

The Group recorded net cash used in financing activities amounting to RM38.4 million in the current period, in contrast to net cash generated from financing activities of RM65.2 million in the corresponding period. The variance was mainly due to net repayments of term loan during the current period, whereas the corresponding period included net cash inflow from drawdowns of revolving credit facilities.

B5. CURRENT YEAR PROSPECTS

The global economic growth outlook remains subdued amid prolonged trade policy and tariffs uncertainties alongside persistent geopolitical tensions.

Nevertheless, the Heavy Engineering segment remains focused on safe and excellent project execution, as well as timely delivery of projects. The segment continues to remain vigilant in addressing operational challenges, while actively pursuing opportunities to strengthen its orderbook in both conventional and new energy projects, domestically and internationally.

Meanwhile, the Marine segment is expected to continue delivering steady performance, despite operating in a highly competitive market. The segment remains focused on driving operational efficiency and enhancing yard capabilities to sustain long term competitiveness and support future growth.

B6. PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not provide any profit forecast or profit guarantee in any public document.

B7. TAXATION

	30 Sep 2025 RM '000	30 Sep 2024 RM '000
Taxation for the peiod comprises the following: the following:		
Income tax		
- current period	(1,144)	(1,585)
	(1,144)	(1,585)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% on the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B8. CHANGES IN MATERIAL LITIGATION

1) MMHE and Trans Fame Offshore Sdn Bhd) ("TFO")

On 15 April 2025 MMHE received a Notice of Arbitration dated 11 April 2025 ("the Arbitration") from the solicitors for Haumea Offshore Sdn Bhd (previously known as TFO in relation to claims arising from Subcontract No. 3900007170 titled "Hook-up And Commissioning Works And Marine Vessels For Bokor Phase 3 Redevelopment Project (Package A)" (hereinafter referred to as "the Subcontract").

Under the Subcontract, TFO was appointed by MMHE as its subcontractor to provide Hook-up and Commissioning ("HUC") works, including marine vessels, for the Bokor Phase 3 Redevelopment Project ("the Works"). In the Notice of Arbitration, TFO claims that there were disputes between it and MMHE under the Subcontract in relation to its performance of the Works.TFO has included an indicative amount of its alleged loss as part of the Notice of Arbitration, at approximately RM57.3 million, including interest, costs and/or other reliefs.

On 20 May 2025, the High Court of Johor Bahru granted an ex-parte injunction in favour of MMHE, restraining TFO from registering the Notice of Arbitration ("NOA"), commencing or proceeding with arbitration in connection with the said Notice pending the determination by the High Court of its validity.

Court has proceeded with the inter-parte hearing of the interim injunction application on 3 July 2025 and fixed the decision on 5 August 2025. The court also on the same date fixed for case management to MMHE's Originating Summons on:

a) A declaration that the NOA is invalid, premature and wrong in law; and

b) An injunction to restrain Haumea from registering, proceeding and/or commencing any arbitration proceedings in relation to the NOA.

On 5 August 2025, the High Court of Johor Bahru allowed TFO's application to set aside MMHE's ex-parte injunction and dismissed MMHE's injunction with the cost of RM10,000 awarded to TFO. The High Court fixed the hearing of MMHE's Originating Summons ("OS") on 11 September 2025 to seek a declaration that TFO's Notice of Arbitration is invalid.

On 21 August 2025, MMHE had filed the Notice of Appeal against the High Court's decision delivered on 5 August 2025.

On 11 September 2025, MMHE's solicitors were informed by the High Court at Johor Bahru that the hearing of the OS has been postponed to 2 October 2025. On 2 October 2025, the High Court proceeded with the hearing of the OS and subsequently fixed 27 October 2025 to deliver its decision.

On 27 October 2025, the High Court dismissed the OS with cost of RM10,000 subject to allocatur fees. MMHE has been advised by its solicitors to appeal against the High Court's said decision to safeguard its interest.

Following the High Court's decision on the OS, Haumea may proceed with the arbitral proceedings under the Notice of Arbitration. Nevertheless, in the event MMHE's appeal against the High Court's decision is allowed by the Court of Appeal, the arbitral proceedings, if any, commenced under the Notice of Arbitration, would be rendered null and void.

B9. DERIVATIVES

Details of the Group's derivative financial instruments outstanding as at 30 September 2025 are as follows:

	Contract/ Notional Amount as at 30 Sep 2025 (in RM '000)	Fair Value Asset (in RM '000)
Forward foreign currency contracts	84,981	(122)

During the period, the Group recognised a net unrealised derivatives gain of RM7,611,000 in its equity and net unrealised loss of RM6,455,000 in profit or loss for the effective and ineffective portion respectively, in relation to the fair value of the cash flow hedges.

B10. PROFIT PER SHARE

	Quarter Ended		Cumulative 9 Months Ended	
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024
Basic profit per share is computed as follows:				
Profit for the period attributable to equity holders of the Company (RM '000)	28,265	15,274	50,558	99,614
Weighted average number of ordinary shares in issue (thousand)	1,600,000	1,600,000	1,600,000	1,600,000
Basic profit per share (sen)	**1.8**	**1.0**	**3.2**	**6.2**

The Group does not have any financial instrument which may dilute its basic earnings per share.

B11. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

There were no outstanding corporate proposals submitted by the Group for the period ended 30 September 2025.

B12. TRADE AND OTHER RECEIVABLES

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Current		
Trade receivables		
Third parties	80,945	114,770
Related companies	257,257	182,460
Amount due from customers on contracts	594,365	970,629
	932,567	1,267,859
Other receivables	41,216	20,335
Less: Allowance for impairment losses	(34,391)	(34,482)
	939,392	1,253,712
Trade and other receivables	939,392	1,253,712

B12. TRADE AND OTHER RECEIVABLES (CONTINUED)

Credit terms of trade and other receivables for the Group, including trade receivables from related companies and amounts due from joint venture range from 30 days to 60 days.

The ageing of trade receivables (excluding amount due from customers on contracts) as at reporting date are as follows:

	30 Sep 2025 RM '000	31 Dec 2024 RM '000
Neither past due nor impaired	300,684	234,361
1 to 30 days past due not impaired	1,914	23,254
31 to 60 days past due not impaired	8,116	9,024
61 to 90 days past due not impaired	13	496
More than 90 days past due not impaired	-	1,959
	310,727	269,094
Impaired	27,475	28,136
Trade receivables	338,202	297,230