

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statements of Comprehensive Income For The Financial Period Ended 31 March 2026 - Unaudited

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	3 months ended		3 months ended	
	31.3.2026	31.3.2025	31.3.2026	31.3.2025
	RM'000	RM'000	RM'000	RM'000
Revenue	37,742	45,931	37,742	45,931
Cost of sales	(26,625)	(31,696)	(26,625)	(31,696)
Gross profit	11,117	14,235	11,117	14,235
Other items of income:				
– Interest income	247	516	247	516
– Other income	303	175	303	175
Operating expenses	(4,749)	(6,073)	(4,749)	(6,073)
Operating profit	6,918	8,853	6,918	8,853
Finance costs	(17)	(5)	(17)	(5)
Profit before taxation	6,901	8,848	6,901	8,848
Taxation	(2,907)	(3,002)	(2,907)	(3,002)
Profit after taxation	3,994	5,846	3,994	5,846
Profit for the period	3,994	5,846	3,994	5,846
Other comprehensive profit, net of tax				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operations	102	105	102	105
Total comprehensive income for the period	4,096	5,951	4,096	5,951

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statements of Comprehensive Income For The Financial Period Ended 31 March 2026 - Unaudited (Continued)

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	3 months ended		3 months ended	
	31.3.2026	31.3.2025	31.3.2026	31.3.2025
	RM'000	RM'000	RM'000	RM'000
Profit attributable to:				
Owners of the Company	3,611	5,605	3,611	5,605
Non-controlling interests	383	241	383	241
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period	3,994	5,846	3,994	5,846
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total comprehensive profit attributable to:				
Owners of the Company	3,713	5,710	3,713	5,710
Non-controlling interests	383	241	383	241
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	4,096	5,951	4,096	5,951
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Earnings per share attributable to owners of the Company (sen):				
- Basic	1.09	1.69	1.09	1.69
- Diluted	N/A	N/A	N/A	N/A
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes:

“N/A” – Not applicable

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

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement of Financial Position As at 31 March 2026 - Unaudited

	Note	<u>Unaudited</u> As at 31.3.2026 RM'000	<u>Audited</u> As at 31.12.2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	63,786	64,255
Right-of-use assets		2,802	2,882
Investment properties		28,920	28,958
Investment in Associates Company		3,234	3,234
Goodwill		3,301	3,301
Deferred tax asset		1,122	788
		<hr/>	<hr/>
		103,165	103,418
		<hr/>	<hr/>
Current assets			
Inventories		377,389	367,865
Contract assets		19,568	46,117
Contract cost assets		57	59
Trade and other receivables		30,082	25,931
Tax recoverable		6,810	12,306
Investments		53,606	9,320
Deposits with licensed banks		11,431	21,351
Cash and bank balances		54,582	73,762
		<hr/>	<hr/>
		553,525	556,711
		<hr/>	<hr/>
TOTAL ASSETS	9	<u>656,690</u>	<u>660,129</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		167,019	167,019
Treasury shares		(947)	(947)
Capital reserve		308	308
Currency translation reserve		3,727	3,625
Retained profits		331,989	328,378
		<hr/>	<hr/>
		502,096	498,383
Non-controlling interests		<hr/>	<hr/>
		6,416	6,033
		<hr/>	<hr/>
Total equity		<u>508,512</u>	<u>504,416</u>
		<hr/>	<hr/>

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement of Financial Position As at 31 March 2026 - Unaudited (Continued)

	Note	<u>Unaudited</u> As at 31.3.2026 RM'000	<u>Audited</u> As at 31.12.2025 RM'000
Non-current liabilities			
Finance lease liabilities	21	342	367
Borrowings		11,804	12,486
Deferred tax liabilities		21,954	21,056
		<hr/>	<hr/>
		34,100	33,909
		<hr/>	<hr/>
Current liabilities			
Trade and other payables		111,605	116,903
Finance lease liabilities	21	148	147
Borrowings		1,863	4,193
Provision for taxation		462	561
		<hr/>	<hr/>
		114,078	121,804
		<hr/>	<hr/>
Total liabilities		148,178	155,713
		<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		656,690	660,129
		<hr/> <hr/>	<hr/> <hr/>
Net assets per share attributable to owners of the Company (RM)		1.51	1.50
		<hr/> <hr/>	<hr/> <hr/>

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

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement Of Changes In Equity For The Financial Period Ended 31 March 2026 - Unaudited

Note	Attributable to shareholders of the Company							Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000		
At 1 January 2026	167,019	-	(947)	308	3,625	328,378	498,383	6,033	504,416
Total comprehensive income/(loss) for the period	-	-	-	-	102	3,611	3,713	383	4,096
<u>Transactions with owners:</u>									
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-
At 31 March 2026	167,019	-	(947)	308	3,727	331,989	502,096	6,416	508,512

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement Of Changes In Equity For The Financial Period Ended 31 March 2026 - Unaudited (Continued)

Note	Attributable to shareholders of the Company							Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000		
<u>Audited</u>									
At 1 January 2025	167,019	-	(947)	308	4,522	305,539	476,441	4,436	480,877
Total comprehensive income/(loss) for the period	-	-	-	-	(897)	32,797	31,900	1,597	33,497
<u>Transactions with owners:</u>									
Dividends on ordinary shares	-	-	-	-	-	(9,958)	(9,958)	-	(9,958)
At 31 December 2025	167,019	-	(947)	308	3,625	328,378	498,383	6,033	504,416

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

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement of Cash Flows For The Financial Period Ended 31 March 2026 - Unaudited

	Cumulative Period	
	3 months ended	
	31.3.2026 RM'000	31.3.2025 RM'000
Cash flows from operating activities		
Profit before taxation	6,901	8,848
Adjustments for non-cash items	162	1,036
Operating profit before working capital changes	7,063	9,884
Working capital changes		
Inventories	(9,523)	(27,660)
Receivables, deposits and prepayments	23,440	12,413
Payables and accruals	(5,299)	6,051
Cash generated from operations	15,681	688
Interest paid	(4)	(5)
Interest received	247	516
Income tax paid	(3,913)	(3,692)
Income tax recovered	6,969	10
Net cash from/(used in) operating activities	18,980	(2,483)
Cash flows used in investing activities		
Purchase of property, plant and equipment	(1,167)	(98)
Proceeds from disposal of property, plant and equipment	13	60
Purchase of investments	(70,170)	(10,618)
Proceeds from redemption of investments	26,167	22,659
Net cash (used in)/from investing activities	(45,157)	12,003

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Condensed Consolidated Statement of Cash Flows For The Financial Period Ended 31 March 2026 - Unaudited (Continued)

	Cumulative Period	
	3 months ended	
	31.3.2026	31.3.2025
	RM'000	RM'000
Cash flows used in financing activities		
Repayment of finance lease liabilities	(24)	(32)
Redemption of fixed deposits under lien	-	(13)
Repayment of borrowings	(3,000)	-
Net cash used in financing activities	(3,024)	(45)
Net (decrease)/increase in cash and cash equivalents	(29,201)	9,475
Cash and cash equivalents at beginning of the financial period	95,113	109,618
Effects of foreign exchange rate changes	101	105
Cash and cash equivalents at end of the financial period	66,013	119,198
Cash and cash equivalents comprise:		
Deposits with licensed banks	11,431	25,314
Cash and bank balances	54,582	93,884
	66,013	119,198

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

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

Hil Industries Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20.05.2026.

1. Basis of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”).

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

2. Significant Accounting Policies

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2025, except in current financial year, the Group and the Company adopted all the new and revised standards which are effective for financial periods beginning on or after 1 January 2025, as disclosed below:

MFRS, Amendments to MFRS and Issues Committee (“IC”) Interpretation

(i) Adoption of new and revised MFRS

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous year, except as follows:

Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 16	Lease Liabilities in a sales and Leaseback
Amendments to MFRS 107	Supplier Finance Arrangements
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

Annual improvement to MFRSs 2018-2020 Cycle

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

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial periods. The Group and the Company are in the process of assessing the financial effect of these pronouncements upon their initial application.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting

2. Significant Accounting Policies (Continued)

(ii) Standards issued but not yet effective

At the date of authorisation of the condensed consolidated interim financial statements, the following Standards were issued but not yet effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 January 2026

Annual Improvements to MFRS Accounting Standards - 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

Amendments to MFRS 9, "Financial Instruments" and MFRS 7, "Financial Instruments: Disclosures"
(Classification and Measurement of Financial Instruments)

Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures"
(Contracts Referencing Nature-dependent Electricity)

Effective for financial periods beginning on or after 1 January 2027

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

Effective date deferred

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements Investment in Associated and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associates or Joint Venture)
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3. Auditors' Report on Proceeding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2025 was not qualified.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

4. Comments about Seasonal or Cyclical Factors

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

5. Unusual Items due to their Nature, Size or Incidence

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

6. Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date results.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period-to-date.

8. Dividends Paid

No dividend was paid by the Company during the financial period ended 31 March 2026.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

9. Operating Segments

Segment information is presented in respect of the Group’s business segments.

	Cumulative Period	
	3 months ended	
	31.3.2026 RM’000	31.3.2025 RM’000
Segment Revenue		
Revenue from:		
Manufacturing	35,572	39,120
Property development and management	2,102	6,791
Trading, services and others	460	430
Total revenue including inter-segment revenue	38,134	46,341
Elimination of inter-segment revenue	(392)	(410)
Revenue from external customers	-	45,931
Segment Results (External)		
Results from:		
Manufacturing	7,215	7,125
Property development and management	(527)	1,225
Trading, services and others	(17)	(13)
Interest income	6,671	8,337
Finance costs	247	516
	(17)	(5)
Profit before tax	6,901	8,848
Taxation	(2,907)	(3,002)
Profit after tax	3,994	5,846

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

9. Operating Segments (Continued)

	Cumulative Period	
	3 months ended	
	31.3.2026 RM'000	31.3.2025 RM'000
Segment Assets		
Segment assets of:		
Manufacturing	223,284	123,161
Property development and management	421,744	477,352
Trading, services and others	429	1,070
	645,457	601,583
Unallocated assets	11,233	15,366
Total consolidated assets	656,690	616,949

The Group's revenue for the three months ended 31 March 2026 based on geographical location is presented as follows:

	Cumulative Period	
	3 months ended	
	31.3.2026 RM'000	31.3.2025 RM'000
Location:		
Hong Kong	3	-
Malaysia	37,724	45,915
Thailand	15	16
Total revenue	37,742	45,931

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

10. Property, Plant and Equipment

Acquisitions and disposals

During the three months ended 31 March 2026, the Group acquired items of property, plant and equipment with a cost of RM1,167,000 (three months ended 31 March 2025: RM98,000). Items of property, plant and equipment with a net book value of RM16,000 were disposed during the three months ended 31 March 2026 (three months ended 31 March 2025: RM8,000), resulting in a loss on disposal of RM3,000 (three months ended 31 March 2025: gain on disposal of RM52,000).

Valuation

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

11. Subsequent Events

There were no material events subsequent to the end of the financial year-to-date except for those disclosed in Note 19.

12. Changes in Composition of the Group

There were no changes in the composition of the Group in the current financial year-to-date.

13. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2025.

14. Capital Commitments

The amount of commitments in the interim financial report as at 31 March 2026 is as follows:

Authorised by the Directors but not contracted for

RM'000

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HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

15. Performance Review

With global economic sentiment remaining moderate and subdued, and with Malaysia also feeling the impact, 2026 is expected to be challenging.

The revenue and profit before tax recorded by the Group for the financial period-to-date was RM37.742 million and RM6.901 million respectively.

This represented a decrease of RM8.189 million in revenue or 17.83% of the revenue for the same period in the previous financial year ended 31 December 2025.

For the cumulative three months ended 31 March 2026, the decrease in the results for the financial period-to-date was RM1.947 million or 22.00% of the results for the same period in the previous financial year ended 31 December 2025.

The performance of the respective operating segments for the financial period-to-date as compared to the corresponding financial period-to-date in the preceding financial year is analysed as follows:

a) Manufacturing segment

The overall manufacturing segment registered a decrease in revenue of RM3.547 million or 9.07% and an increase in results of RM0.090 million or 1.26%, for the current financial period-to-date as compared to revenue and results in the corresponding financial period-to-date in the preceding financial year. The decline in revenue was primarily attributable to fewer working days arising from the scheduled festive shutdown by the Group's main customers. Nevertheless, performance improved slightly, supported by a better product sales mix and enhanced cost efficiency.

b) Property development and management segment

The property development and management segment registered a decrease in revenue of RM4.835 million or 71.2% and a decrease in results of RM1.484 million or 121.14% for the current financial period-to-date as compared to the revenue and results in the corresponding financial period-to-date in the preceding financial year due to the completion of the 154-units project at Bukit Amverton in Sungai Buloh and the 100 units Townhouse in Amverton Links. Following the project's completion, performance weakened, and in the absence of new project launches during the year, earnings contribution was not replenished, resulting in a significant decline in the segment's results.

c) Trading, services and others segment

The trading, services and other segment registered an increased in revenue of RM0.030 million or 6.98% and a slight decrease in results of RM0.004 million or 30.77% for the current financial period-to-date as compared to the corresponding financial period-to-date in the preceding financial year. Despite the improved revenue, the loss was primarily attributable to higher costs incurred for the purchase of pharmaceutical products.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

16. Variation of Results Against Preceding Quarter

The revenue and profit before tax for the current quarter were RM37.742 million and RM6.901 million respectively compared to revenue of RM62.522 million and profit before tax of RM20.668 million for the immediate preceding quarter ended 31 December 2025. The decrease in revenue and profit before tax was mainly because the immediate preceding quarter had benefited from stronger sales volume, completion of tooling activities and the commencement of two new project launches by the Group's main customer.

17. Current Year Prospects

The Group expects its manufacturing division to maintain satisfactory performance. In line with its commitment to operational excellence, the Group has invested in new machinery and further enhanced automation across its production lines to improve productivity and operational efficiency. In addition, the Group's barcode inventory system is currently being implemented and is expected to be fully operational by the third quarter of 2026. Ongoing training and development initiatives continue to strengthen the Group's human capital, ensuring readiness to adapt to technological advancements and evolving production requirements. In addition, the Group is progressively upgrading its production systems through the integration of advanced manufacturing technologies, including artificial intelligence (AI), to enhance process efficiency and optimise costs. These initiatives are expected to strengthen the Group's competitive position and support sustainable long-term growth. The Group will continue to pursue opportunities to diversify and expand its customer base while deepening engagement with existing customers to enhance revenue resilience and improve growth visibility. Nevertheless, the Group remains cautious of prevailing market uncertainties, including fluctuations in raw material prices, foreign exchange volatility, supply chain disruptions, and regulatory changes that may affect its operating environment. The Group will continue to monitor these developments closely and implement appropriate risk mitigation measures.

The Group expects its property division to record stronger performance in the coming periods, supported by upcoming project launches and strategic collaborations. The planned launch of the Group's property development projects in Carey Island represents a significant step in expanding its property portfolio and strengthening its market presence, in line with the approved development of the Port Klang Third Terminal in Carey Island (The Carey Island Port). The Group remains committed to expanding its property development activities, particularly within the Klang Valley region, with a focus on delivering affordable housing products to meet prevailing market demand. In line with this strategy, the Group will continue to actively explore opportunities to acquire additional landbank within the Klang Valley to support the sustainable growth of this business segment. In addition, the Group entered into a strategic joint venture with Perbadanan Kemajuan Negeri Selangor (PKNS Group) to undertake a high-impact urban development project. The Group also plans to launch Amverton Vista and a joint venture development with Pembinaan Kesentosaan Sdn Bhd (PKSB), both of which are expected to contribute positively to sales performance and enhance revenue contribution in the current financial year. Notwithstanding the above, the performance of the property division remains subject to prevailing market conditions, including property market sentiment, financing availability, regulatory changes, construction cost fluctuations and overall economic conditions. The Group will continue to monitor these factors closely and adopt prudent measures to manage associated risks.

Barring any unforeseen circumstances, the Board remains confident that, supported by its diversified business portfolio, disciplined execution, and ongoing strategic initiatives, the Group is well-positioned to deliver sustainable performance for the financial year ending 2026.

18. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

19. Profit before taxation

	Current Quarter	Year-To- Date
	3 months ended 31.3.2026 RM'000	3 months ended 31.3.2026 RM'000
Profit before taxation is arrived at after charging/(crediting):		
Depreciation of property, plant and equipment and investment properties	1,658	1,658
Loss/(Gain) on disposal of property, plant and equipment	(3)	(3)
Interest expense	17	17
Interest income	(247)	(247)
Net foreign exchange loss/(gain):		
– Realised - Loss/(Gain)	75	75
– Unrealised - Loss/(Gain)	(267)	(267)

Other than the above items, there were no other income including investment income, gain or loss on disposal of quoted and unquoted investment or properties, impairment of assets, gain or loss on derivatives and other exceptional items.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

20. Taxation

	Individual Period		Cumulative Period	
	3 months ended		3 months ended	
	31.3.2026	31.3.2025	31.3.2026	31.3.2025
	RM'000	RM'000	RM'000	RM'000
In respect of current financial year:				
– Malaysian income tax	4,790	2,780	4,790	2,780
– Deferred tax	(1,883)	222	(1,883)	222
	2,907	3,002	2,907	3,002
	2,907	3,002	2,907	3,002

21. Borrowings

	As at	As at
	31.3.2026	31.12.2025
	RM'000	RM'000
Non-current		
– Secured	12,146	368
Current		
– Secured	2,010	254
	14,156	622

The borrowings are all denominated in Ringgit Malaysia.

22. Material Litigation

As at the reporting date, there was no material litigation against the Group.

23. Dividend

There was no dividend proposed or declared in respect of the current quarter under review.

HIL INDUSTRIES BERHAD

(Company No: 196901000472 (8812-M))

Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

24. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>31.3.2026</u>	<u>31.3.2025</u>	<u>31.3.2026</u>	<u>31.3.2025</u>
Profit for the period attributable to owners of the Company (RM'000)	3,611	5,605	3,611	5,605
Weighted average number of ordinary shares in issue ('000)	331,941	331,941	331,941	331,941
Basic earnings per share (sen)	1.09	1.69	1.09	1.69

(b) Diluted earnings per share

Diluted earnings per share is not applicable for the financial period as the unexercised warrants issued during the current financial period is anti-dilutive in nature. This is due to the company's share price is below the exercise price.