

TRC SYNERGY BERHAD
Condensed Consolidated Statement of Comprehensive Income for the quarter ended 30 June 2025

	Current quarter ended 30/6/25 RM	Comparative quarter ended 30/6/24 RM	6 months cumulative to 30/6/25 RM	6 months cumulative to 30/6/24 RM
Revenue	126,844,289	106,497,040	256,192,184	199,203,832
Cost of sales	(109,766,889)	(94,440,609)	(228,332,082)	(178,949,522)
Gross Profit	17,077,400	12,056,431	27,860,102	20,254,310
Other income	275,127	524,205	828,065	882,915
Realised foreign currency exchange gain/(loss)	16,970	(400,000)	16,255	(401,019)
Unrealised foreign currency exchange (loss)/gain	(1,240,883)	151,427	(1,051,291)	1,285,852
Administrative expenses	(7,185,221)	(8,166,047)	(15,058,393)	(15,498,343)
Distribution expenses	(4,100)	(4,100)	(10,100)	(4,100)
Allowance for expected credit loss on trade and other receivables	(349,476)	-	(716,643)	-
Operating Profit	8,589,817	4,161,916	11,867,995	6,519,615
Finance income	2,390,432	2,571,210	4,853,530	5,265,132
Finance costs	(1,162,649)	(1,640,370)	(2,405,362)	(3,317,232)
Share of profit of associate	880,621	302,573	1,425,891	712,591
Share of (loss)/profit of joint venture	(68,943)	1,950,628	1,648,086	990,845
Profit before tax	10,629,278	7,345,957	17,390,140	10,170,951
Income tax expenses	(2,822,749)	(2,036,863)	(4,218,275)	(4,654,616)
Profit for the financial period	7,806,529	5,309,094	13,171,865	5,516,335
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	870,235	2,475,598	1,471,980	65,497
Other comprehensive income for the financial period net of tax	870,235	2,475,598	1,471,980	65,497
Total comprehensive income for the financial period	8,676,764	7,784,692	14,643,845	5,581,832
Profit for the financial period attributable to:				
Owners of the Company	7,758,696	5,360,555	13,092,065	5,507,683
Non-controlling interests	47,833	(51,461)	79,800	8,652
Profit for the financial period	7,806,529	5,309,094	13,171,865	5,516,335
Total comprehensive income attributable to:				
Owners of the Company	8,629,603	7,847,766	14,554,761	5,573,403
Non-controlling interests	47,161	(63,074)	89,084	8,429
Total comprehensive income for the financial period	8,676,764	7,784,692	14,643,845	5,581,832
EPS attributable to Owners of the Company:				
Basic (sen)	1.65	1.14	2.78	1.17
Diluted (sen)	1.65	1.14	2.78	1.17

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2024)

TRC SYNERGY BERHAD
Condensed Consolidated Statement of Financial Position as at 30 June 2025

	As at 30/6/2025 RM	As at 31/12/2024 RM
ASSETS		
NON-CURRENT ASSETS		
Investment properties	11,957,516	11,957,516
Property, plant & equipment	188,941,944	191,045,762
Inventories	23,674,771	23,553,868
Investment in associates	5,960,924	4,655,033
Investment in joint venture	30,125,502	32,015,280
Other investments	66,000	66,000
Deferred tax assets	3,155,544	2,840,936
Right-of-use assets	12,545,555	14,031,157
	<u>276,427,756</u>	<u>280,165,552</u>
CURRENT ASSETS		
Inventories	41,756,394	29,352,104
Contract cost assets	(0)	1,315,314
Trade & other receivables	219,945,638	314,607,700
Contract assets	18,566,480	18,402,058
Deposits, cash & bank balances	370,488,740	328,539,873
Current tax asset	263,155	1,016,030
	<u>651,020,407</u>	<u>693,233,079</u>
TOTAL ASSETS	<u>927,448,163</u>	<u>973,398,631</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	240,456,670	240,456,670
Treasury shares	(2,459,625)	(2,459,625)
Reserves	23,750,663	22,287,967
Retained earnings	288,829,676	275,737,611
Equity attributable to Owners of the Company	<u>550,577,384</u>	<u>536,022,623</u>
Non-controlling Interests	8,938,803	8,849,719
Total Equity	<u>559,516,187</u>	<u>544,872,342</u>
NON-CURRENT LIABILITIES		
Borrowings	1,969,313	2,929,710
Deferred tax liabilities	3,702,956	4,605,159
	<u>5,672,269</u>	<u>7,534,869</u>
CURRENT LIABILITIES		
Provision	10,155,911	17,387,228
Borrowings	77,647,424	88,210,155
Trade & other payables	156,272,509	187,655,243
Contract liabilities	109,448,411	121,226,925
Current tax liabilities	8,735,452	6,511,869
	<u>362,259,707</u>	<u>420,991,420</u>
Total Liabilities	<u>367,931,976</u>	<u>428,526,289</u>
	<u>927,448,163</u>	<u>973,398,631</u>
Net assets per share attributable to the Owners of the Company (RM)	1.17	1.14

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2024)

TRC SYNERGY BERHAD
Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2025

	Attributable to Owners of the Company		Non-distributable		Non-controlling Interests		Total Equity	
	Share Capital RM	Treasury Shares RM	Asset Revaluation Reserve RM	Foreign Currency Translation Reserve RM	Retained Earnings RM	Sub-Total RM		
At 1 January 2025	240,456,670	(2,459,625)	39,297,862	(17,009,895)	275,737,611	536,022,623	8,849,719	544,872,342
Foreign currency translation difference for foreign operations	-	-	-	1,462,696	-	1,462,696	9,284	1,471,980
Other comprehensive income for the financial period	-	-	-	1,462,696	-	1,462,696	9,284	1,471,980
Profit for the financial period	-	-	-	-	13,092,065	13,092,065	79,800	13,171,865
Total comprehensive income for the financial period	-	-	-	1,462,696	13,092,065	14,554,761	89,084	14,643,845
At 30 June 2025	240,456,670	(2,459,625)	39,297,862	(15,547,199)	288,829,676	550,577,384	8,938,803	559,516,187
At 1 January 2024	240,456,670	(2,459,625)	39,297,862	(1,808,445)	268,819,757	544,306,219	8,836,636	553,142,855
Foreign currency translation difference for foreign operations	-	-	-	65,720	-	65,720	(223)	65,497
Other comprehensive income/(loss) for the period	-	-	-	65,720	-	65,720	(223)	65,497
Profit for the period	-	-	-	-	5,507,683	5,507,683	8,652	5,516,335
Total comprehensive income for the period	-	-	-	65,720	5,507,683	5,573,403	8,429	5,581,832
At 30 June 2024	240,456,670	(2,459,625)	39,297,862	(1,742,725)	274,327,440	549,879,622	8,845,065	558,724,687

The Foreign Currency Translation Reserve represents currency translation differences on foreign currency net investments.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2024)

TRC SYNERGY BERHAD
Condensed Consolidated Statement of Cash Flows for the quarter ended 30 June 2025

	6 months ended 30/6/2025 RM	6 months ended 30/6/2024 RM
Cash flows from operating activities		
Profit before tax	17,390,140	10,170,951
Adjustments for :		
Allowance for expected credit loss on trade and other receivables	716,643	-
Amortisation of investment in joint venture	538,346	769,979
Amortisation of right-of-use asset	1,085,453	1,031,442
Depreciation of property, plant & equipment	3,413,670	3,928,351
Interest expense	2,785,819	3,799,676
Interest income	(3,155,042)	(3,479,095)
Fair value gain on money market fund	(1,038,976)	(1,143,274)
Dividend income from money market fund	(659,512)	(642,763)
Share of profit of associate	(1,425,891)	(712,591)
Share of profit of joint venture	(1,648,086)	(990,845)
Gain on disposal of property, plant & equipment	(316,826)	(438,812)
Unrealised foreign currency exchange loss/(gain)	1,051,291	(1,285,852)
Property, plant & equipment written off	2	1,452
Operating profit before working capital changes	<u>18,737,031</u>	<u>11,008,619</u>
Working capital changes :-		
Changes in inventories	(12,525,194)	1,219,269
Changes in contract assets/liabilities	(9,839,854)	(37,795,529)
Changes in contract cost assets	1,315,314	29,750
Changes in receivables	92,819,053	8,275,740
Changes in payables	(44,984,375)	(19,061,926)
Cash generated from/(used in) operating activities	<u>45,521,975</u>	<u>(36,324,077)</u>
Tax paid	(3,190,643)	(2,818,417)
Tax refund	792,055	-
Interest paid	(2,416)	(6,882)
Interest received	3,155,042	3,479,095
Net cash generated from/(used in) operating activities	<u>46,276,013</u>	<u>(35,670,281)</u>
Cash flows from investing activities		
Purchase of property, plant & equipment	(622,409)	(1,712,332)
Purchase of right-of-use asset	(22,743)	(3,221,109)
Proceeds from disposal of property, plant & equipment	316,850	501,887
Distribution of profit from joint venture	3,045,548	3,144,555
Net cash generated from/(used in) investing activities	<u>2,717,246</u>	<u>(1,286,999)</u>
Cash flows from financing activities		
(Placement)/Withdrawal of pledged deposits	(1,582,841)	3,223,761
(Repayment of)/Net proceeds from short term borrowings	(4,852,229)	11,370,251
Repayment of long term borrowings	-	(9,433,665)
Interest paid	(2,783,402)	(3,112,475)
Net cash (used in)/generated from financing activities	<u>(9,218,472)</u>	<u>2,047,872</u>
Net increase/(decrease) in cash and cash equivalents	39,774,787	(34,909,408)
Effects of foreign exchange rate changes	352,809	72,338
Effects of changes in fair value of money market funds	1,698,488	1,786,037
Cash and cash equivalents at beginning of period	200,500,324	286,871,036
Cash and cash equivalents at end of period	<u>242,326,408</u>	<u>253,820,003</u>
Cash and cash equivalents at end of period comprise :		
Cash and bank balances	109,675,183	72,809,345
Short-term deposits with licensed banks	-	37,500,000
Fixed deposits with licensed banks	14,920,351	49,142,226
Money market funds placed with fund managers	117,787,050	94,453,910
Bank overdrafts	(56,176)	(85,478)
	<u>242,326,408</u>	<u>253,820,003</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2024)

TRC SYNERGY BERHAD
Company No. 199601040839 (413192-D)
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30TH JUNE 2025**
(The figures have not been audited)

Explanatory Notes

1. Accounting policies

The Group has prepared the unaudited interim financial statements in accordance with the requirements of Malaysian Financial Reporting Standards ('MFRS') 134: "Interim Financial Reporting" issued by Malaysian Accounting Standard Board ('MASB') and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ('Bursa Malaysia').

The unaudited interim financial statements should be read in conjunction with audited financial statements of the Group for the financial year ended 31 December 2024. These 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 financial position and performance of the Group since the year ended 31 December 2024.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited annual financial statements for the financial year ended 31 December 2024, except for the adoption of the following Amendments to MFRSs:

		<u>Effective date</u>
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-Dependent Electricity)	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above Amendments to MFRSs does not have significant financial impact to the Group and the Company.

2. *Status of Financial Statements Qualification*

The auditors' report on the financial statements for the year ended 31 December 2024 was not subject to any qualification.

3. *Seasonal or Cyclical Factors*

The Group's operations were not significantly affected by seasonal and cyclical factors for the financial period under review.

4. *Items affecting assets, liabilities, equity, net income or cash flows that are unusual to the nature, size or incidence*

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

5. *Changes in Estimates*

There were no changes in estimates that have a material effect in the current quarter.

6. *Changes in Share Capital and Loan Stocks*

There were no changes in share capital and loan stocks for the quarter ended 30 June 2025.

7. *Dividend paid*

No dividend was paid in the current quarter.

8. *Segment Reporting*

Operating segment information for the current quarter is as follows:

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue						
External revenue	244,691	421	11,080	-		256,192
Inter- segment revenue	15,001	-	-	-	(15,001)	-
	259,692	421	11,080	-	(15,001)	256,192
Results						
Segment operating profits/(loss)	19,085	(1,474)	(1,105)	(4,049)	(589)	11,868
Share of profit of associate						1,426
Share of profit of joint venture						1,648
Finance income						4,853
Finance costs						(2,405)
Profit before tax						17,390
Income tax expenses						(4,218)
Profit for the financial period						13,172

9. *Valuation of property, plant & equipment*

The valuations of land and buildings have been brought forward without amendment as there was no revaluation been carried out in this quarter.

10. *Subsequent Events*

There were no material events subsequent to the end of the current quarter.

11. *Changes in the composition of the Group*

There were no changes in the composition of the Group for the quarter ended 30 June 2025.

12. *Contingent Liabilities and Assets*

There were no material changes in contingent liabilities and assets for the Group as at the date of this announcement.

13. *Capital Commitment*

There was no capital commitment for the purchase of property, plant and equipment and right-of-use asset for the quarter ended 30 June 2025.

14. *Related Party Transactions*

There was no material related party transaction during the quarter ended 30 June 2025.

15. *Review of performance of the Company and its Principal Subsidiaries*

The Group recorded a profit before tax of RM10,629,278 in the current quarter as compared with a profit before tax of RM7,345,957 in the corresponding quarter.

Higher revenue and hence higher gross profit had contributed largely to the higher profit before tax being reported for the current quarter. New projects that were secured early last year continued contributing positively to the financial performance of the Group in this quarter as the projects progressed. The provision for unavoidable costs of meeting the obligations under the construction contract of an on-going project in the corresponding quarter had also partially contributed to the lower profit before tax being reported for that quarter.

Operating profit was still reported much higher in this quarter despite the recognition of an unrealized foreign currency exchange loss. This was largely attributable to a lower administrative expense incurred and also the recognition of a realized foreign currency exchange gain as opposed to a loss in the corresponding quarter.

15. *Review of performance of the Company and its Principal Subsidiaries*
- continued

Further, the associate company had contributed much better profits to the Group but the contribution from the joint venture was less satisfactory in the current quarter.

The core profit before tax before considering the impact of the unrealized foreign currency exchange differences and the allowance for expected credit loss on trade and other receivables were reported at RM12,219,637 and RM7,194,530 for the current and corresponding quarter respectively.

16. *Material changes in the Profit before tax for the Current Quarter as compared with the Immediate Preceding Quarter*

The Group recorded a profit before tax of RM10,629,278 in the current quarter as compared with a profit before tax of RM6,760,863 recorded in the immediate preceding quarter.

A higher gross profit registered for the current quarter had largely contributed to the much higher profit before tax being reported in the current quarter.

The Group's share of the profit of associate in the quarter was also higher than the immediate preceding quarter while the share of results of the joint venture was less satisfactory for the current quarter.

17. *Prospects*

The Bank Negara Malaysia (BNM) released Malaysia's GDP growth for the 1Q 2025 at 4.4% (**BNM Quarterly Bulletin, 2Q 2025**), against its projected GDP growth of between 4.0% and 4.8% for the whole year 2025.

This GDP growth is supported by resilient domestic demand, favourable labour market conditions, stronger private and public investment activities, continued trade expansion, and moderate inflation, all of which have boosted the Malaysian economy.

The Group Construction Division remains unwavering in its commitment to the timely execution and completion of its existing projects, namely the Empangan Tebatan Banjar Gombak (EBG), Transformation of the Old DUN Building into a State Performing Arts Centre (SPAC), Corrective Maintenance Facilities at Royal Malaysian Navy Submarine Base Sepangar Bay (SBSB10) and Subang Engineering Complex A (SECA).

The Group is also actively participating in government or quasi-government agency tender exercises. To date, the construction division has participated in tenders worth more than RM1.4 billion over the last seven months, replenishing its current order book of RM520 million.

17. Prospects – continued

The residential property market is expected to experience steady growth in 2025, particularly in the demand for the affordable housing segment, which is expected to remain strong. With that sentiment, the Group Property Division commenced the construction of Ara Sentral Phase 2 in February 2025, primarily focusing on the basement structure up to the podium level. The launch of Phase 2, scheduled for 2Q 2026, is still on target. Phase 2 comprises 134 retail units and 992 service apartment units (764 units for open market and 232 units for affordable housing) with an expected Gross Development Value of more than RM600 million.

With the Ara Sentral Phase 2, the property development sector is expected to remain fully occupied for the next five years, thereby boosting and enhancing the Group's revenue and earnings.

With the Group's existing order book and the positive outlook for new projects to be rolled out by the government, as well as the positive outlook for the residential subsector, the Group is expected to maintain a strong performance for FY2025. Through our prudent and resilient financial management, along with a robust balance sheet, we further reinforce this outlook. This balanced approach indicates our ability to undertake major projects and replenish our order book in the future.

18. Variance of Actual Profit against Estimated Profit

The disclosure requirement for this section is not applicable to the Group.

19. Income tax

The tax expenses comprise the following:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30.6.2025 RM'000	Preceding Year Corresponding Quarter 30.6.2024 RM'000	Current Year To Date 30.6.2025 RM'000	Preceding Year Corresponding Period 30.6.2024 RM'000
Current tax				
Current year	3,635	2,490	5,434	3,890
Deferred tax				
Current year	(812)	(453)	(1,197)	1,193
Prior year	-	-	(19)	(428)
	<u>2,823</u>	<u>2,037</u>	<u>4,218</u>	<u>4,655</u>

19. *Income tax - continued*

The effective tax rate for the current period approximates the statutory tax rate due to the recognition of deductible timing differences and unabsorbed tax losses as deferred tax assets.

In the corresponding period, the effective tax rate was substantially higher than the statutory tax rate due to certain expenses being disallowed for tax purpose and the reversal of deferred tax assets provision of a foreign subsidiary company.

20. *Profit on sale of investments and properties*

There were no sales of unquoted investments or properties by the Group in the current quarter.

21. *Quoted Securities*

The Company did not hold any quoted securities for the quarter ended 30 June 2025.

22. *Status of Corporate Proposal*

There was no outstanding corporate proposal.

23. *Group Borrowings and Debt Securities*

Total borrowings of the Group as at 30 June 2025 are as follows:-

Security	Type	Amount (RM'000)
Secured	Short Term	77,647
Secured	Long Term	1,969
Unsecured	Long Term	-

Currency exposure profile of borrowings is as follows:-

Currency	Secured Short Term RM'000	Secured Long Term RM'000
Malaysian Ringgit	2,201	1,969
Australian Dollar	75,446	-

24. *Off Statement of Financial Position Financial Instruments*

There were no off statement of financial position financial instruments as at the date of this announcement.

25. Material Litigation

There is no material litigation pending as at 30 June 2025.

26. Dividends

The directors have not recommended the payment of any dividend for the quarter ended 30 June 2025.

27. Earnings/(Loss) per share

The basic earnings per share was calculated based on the profit for the financial period attributable to Owners of the Company of RM13,092,065 (2024: RM5,507,683) and on the weighted average number of ordinary shares in issue of 471,288,703 (2024: 471,288,703) shares.

The fully diluted earnings per share for the period have been computed using a weighted average number of shares of 471,288,703 (2024: 471,288,703).

28. Notes to Statement of Comprehensive Income

	Second quarter		Cumulative 6 months	
	30/6/2025 RM'000	30/6/2024 RM '000	30/6/2025 RM'000	30/6/2024 RM'000
Depreciation of property, plant and equipment	1,719	1,934	3,414	3,928
Amortisation of right-of-use asset	527	597	1,085	1,031
Amortisation of investment in joint venture	215	770	538	770
Loss on disposal of investment property	-	-	-	-
Property, plant & equipment written off	-	1	-	1
Gain on disposal of property, plant & equipment	(14)	(228)	(317)	(439)
Gain on disposal of right-of-use asset	-	-	-	-
Fair value (gain)/loss on investment properties	-	-	-	-