



RADIUM DEVELOPMENT BERHAD

Registration No.: 201301009006 (1038848-V)

INTERIM FINANCIAL REPORT

FOR SECOND QUARTER ENDED 30 JUNE 2025

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

	Note	Unaudited As at 30.6.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		50,782	49,735
Investment properties		87,388	86,554
Right-of-use assets		1,165	1,341
Inventories		534,172	35,375
Goodwill		1,701	1,701
Other investment		10,584	10,584
Deferred tax assets		10,370	9,781
Trade and other receivables		9,006	10,356
		705,168	205,427
Current Assets			
Inventories		330,849	325,296
Current tax assets		11,514	10,921
Trade and other receivables		66,366	118,244
Contract cost		22,664	19,287
Contract asset		65,086	39,405
Short-term investments		1,672	27,633
Cash and short-term deposits		110,698	216,872
		608,849	757,658
TOTAL ASSETS		1,314,017	963,085
EQUITY AND LIABILITIES			
Share capital		465,943	465,943
Retained earnings		304,351	301,697
Equity attributable to owners of the Company		770,294	767,640
Non-controlling interests		10,903	8,305
Total Equity		781,197	775,945
Non-Current Liabilities			
Loans and borrowings	B7	375,823	73,598
Lease liabilities		311	627
		376,134	74,225
Current Liabilities			
Loans and borrowings	B7	55,730	26,301
Lease liabilities		889	743
Current tax liabilities		1,369	1
Trade and other payables		98,698	85,870
		156,686	112,915
Total Liabilities		532,820	187,140
TOTAL EQUITY AND LIABILITIES		1,314,017	963,085
Net assets per share attributable to owners of the Company (RM)		0.22	0.22
Number of outstanding ordinary shares in issue ('000)		3,468,000	3,468,000

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR SECOND QUARTER ENDED 30 JUNE 2025**

		Current quarter ended	Comparative quarter ended	Current period to date ended	Preceding period to date ended
	Note	30.6.2025	30.6.2024	30.6.2025	30.6.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A12	42,582	30,631	82,585	58,163
Cost of sales		(29,431)	(20,756)	(57,629)	(38,429)
Gross profit		13,151	9,875	24,956	19,734
Other income		224	1,231	1,082	2,592
Marketing expenses		(4,017)	(3,160)	(7,028)	(6,506)
Administrative expenses		(4,258)	(4,039)	(8,946)	(8,504)
Other operating expenses		-	(118)	-	(118)
Profit from operations		5,100	3,789	10,064	7,198
Finance income		1,067	1,065	2,395	2,488
Finance costs		(2,366)	(1,130)	(4,547)	(2,041)
Profit before taxation		3,801	3,724	7,912	7,645
Taxation	B4	(1,958)	(2,785)	(3,518)	(4,380)
Profit for the period, representing total comprehensive income for the period		1,843	939	4,394	3,265
Profit / Total comprehensive income attributable to:					
Owners of the Company		785	489	2,644	2,434
Non-controlling interests		1,058	450	1,750	831
		1,843	939	4,394	3,265
Basic earnings per share attributable to owners of the Company (sen)	B10	0.02	0.01	0.08	0.07

The Unaudited Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR SECOND QUARTER ENDED 30 JUNE 2025**

	Note	Attributable To Owners Of The Company			Non-controlling interests	Total equity
		Share capital	Retained earnings	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2025		465,943	301,697	767,640	8,305	775,945
Profit after tax / Total comprehensive income		-	2,644	2,644	1,750	4,394
Transaction with owners of the Company						
Effects of dilution of interests in a subsidiary	A10	-	10	10	(10)	-
Ordinary shares capital contributed by non-controlling interests of a subsidiary	A10	-	-	-	858	858
Total transactions with owners		-	10	10	848	858
As at 30 June 2025		465,943	304,351	770,294	10,903	781,197
As at 1 January 2024		465,943	322,327	788,270	4,316	792,586
Profit after tax / Total comprehensive income		-	2,434	2,434	831	3,265
Transaction with owners of the Company						
Dividend paid to owners of the Company, representing total transactions with owners		-	(34,680)	(34,680)	-	(34,680)
As at 30 June 2024		465,943	290,081	756,024	5,147	761,171

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR SECOND QUARTER ENDED 30 JUNE 2025**

	Current period to date ended 30.6.2025 RM'000	Preceding period to date ended 30.6.2024 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	7,912	7,645
Adjustments for:		
Depreciation of property, plant and equipment	981	819
Depreciation of right-of-use assets	427	396
Fair value gain of short-term investments	(780)	(2,303)
Finance costs	4,547	2,041
Finance income	(2,395)	(2,488)
Gain on disposal of short-term investments	(25)	(157)
Write-off of:		
- trade receivables	-	116
- plant and equipment	-	2
Operating profit before changes in working capital	10,667	6,071
Changes in working capital:		
Inventories	(504,350)	(49,495)
Trade and other receivables	46,025	22,101
Contract assets	(25,681)	(451)
Contract cost	(3,377)	(4,057)
Trade and other payables	12,828	(196)
Contract Liabilities	-	2,795
Net cash used in operations	(463,888)	(23,232)
Interest received	2,395	2,488
Interest paid	(62)	(4)
Income tax paid	(3,338)	(5,677)
Income tax refunded	6	-
Net cash used in operating activities	(464,887)	(26,425)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash acquired	-	3
Additional of investment property under construction	(834)	-
Repayment from a related party	7,240	-
Changes in pledged deposits	(105)	2,527
Uplift in short-term investments	26,766	17,195
Purchase of property, plant and equipment	(2,065)	(1,361)
Net cash from investing activities	31,002	18,364

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR SECOND QUARTER ENDED 30 JUNE 2025 (CONT'D)**

	Current period to date ended 30.6.2025 RM'000	Preceding period to date ended 30.6.2024 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to owners of the Company	-	(34,680)
Ordinary share capital contributed by non-controlling interests of a subsidiary	858	-
Payment of lease liabilities	(421)	(433)
Drawdown of term loans	274,413	1,788
Repayment of term loans	(7,887)	(12,659)
Drawdown of bridging loans	28,072	22,377
Repayment of bridging loans	(15,322)	(21,146)
Drawdown of revolving credit - net of repayment	50,353	-
Repayment of hire purchase payables	(110)	(53)
Interest paid	(4,485)	(2,014)
Net cash from/(used in) financing activities	325,471	(46,820)
Net decrease in cash and cash equivalents	(108,414)	(54,881)
Cash and cash equivalents at beginning of the financial period	208,787	192,256
Cash and cash equivalents at end of the financial period	100,373	137,375
Cash and cash equivalents comprised of:		
Cash and bank balances	102,508	135,906
Short-term deposits	8,190	6,357
Bank overdraft	(2,135)	-
	108,563	142,263
Less: Pledged deposits	(8,190)	(4,888)
	100,373	137,375

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to the interim financial report.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 -Interim Financial Reporting

A1. Basis of preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with MFRS 134 - *Interim Financial Reporting* and paragraph 9.22 as well as Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to the interim financial report.

A2. Significant accounting policies

The significant accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the Audited Financial Statements for the year ended 31 December 2024, except for the adoption of the following new accounting standards, amendments and interpretation that have been issued by the Malaysian Accounting Standards Board ("MASB"):

(a) Amendments to MFRSs adopted

For the preparation of the financial statements, the following accounting standards and amendments of the MFRS framework issued by the MASB are mandatory for the first time for the current financial period:

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

The adoption of the abovementioned accounting standards and amendments are not expected to have any material impact on the financial statements of the Group.

(b) Amendments to MFRSs not adopted

Amendments to 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*

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A2. Significant accounting policies (Cont'd)

(b) Amendments to MFRSs not adopted (Cont'd)

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*

Amendments to MFRSs effective date yet to be confirmed

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

The abovementioned Amendments to MFRSs will be adopted in the annual financial statements of the Group when they become effective and the Directors anticipate that the adoption of these Amendments to MFRS will have no material impact on the financial statements of the Group in the period of initial application.

A3. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal or cyclical factors during the current quarter and financial period to date under review.

A4. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the current quarter and financial period to date under review.

A5. Changes in estimates

There were no material changes in estimates of the amounts reported during the current quarter and financial period to date under review.

A6. Changes in debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter and financial period to date under review.

A7. Dividend paid

No dividends have been paid during the current quarter and financial period to date under review.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A8. Segmental Information

For management purposes, the Group is organised into business units based on their products and services. The Group's reportable segments are as follows:

- (a) Property development and investment
 - Development and sales of residential properties.
 - Letting of property.
- (b) Investment holdings and others
 - Investment activities, provision of management services, provision of information technology related services, hotel business (dormant) and healthcare (dormant).

The senior management of the Group reviews the operations and performance of the respective business segments on a regular basis and their respective performances.

	Property development and investment RM'000	Investment holdings and others RM'000	Total RM'000
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Current year to date ended 30 June 2025

Revenue

Total revenue	82,585	3,792	86,377
- Inter-segment revenue	-	(3,792)	(3,792)
Revenue from external parties	82,585	-	82,585

Results

Segment profit/(loss)	14,650	(6,738)	7,912
- Inter-segment elimination	(9,168)	9,168	-
Profit before taxation	5,482	2,430	7,912
Taxation	(2,710)	(808)	(3,518)
Net profit for the financial period	2,772	1,622	4,394

Preceding year to date ended 30 June 2024

Revenue

Total revenue	58,043	9,623	67,666
- Inter-segment revenue	-	(9,503)	(9,503)
Revenue from external parties	58,043	120	58,163

Results

Segment profit/(loss)	10,166	(2,521)	7,645
- Inter-segment elimination	(11,186)	11,186	-
(Loss)/Profit before taxation	(1,020)	8,665	7,645
Taxation	(2,220)	(2,160)	(4,380)
Net (loss)/profit for the financial period	(3,240)	6,505	3,265

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A8. Segmental Information (Cont'd)

	Property development and investment RM'000	Investment holdings and others RM'000	Total RM'000
<u>As at 30 June 2025</u>			
Assets			
Segment assets	1,208,765	83,368	1,292,133
Deferred tax assets and current tax assets	19,396	2,488	21,884
Total assets	1,228,161	85,856	1,314,017
Liabilities			
Segment liabilities	469,164	62,287	531,451
Deferred tax liabilities and current tax liabilities	1,369	-	1,369
Total liabilities	470,533	62,287	532,820
<u>As at 31 December 2024</u>			
Assets			
Segment assets	758,641	183,742	942,383
Deferred tax assets and current tax assets	18,890	1,812	20,702
Total assets	777,531	185,554	963,085
Liabilities			
Segment liabilities	175,856	11,283	187,139
Deferred tax liabilities and current tax liabilities	1	-	1
Total liabilities	175,857	11,283	187,140

A9. Subsequent Events

There were no significant events subsequent to the end of the financial period to date under review.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A10. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter and financial period to date under review.

Decrease in equity interest in Mayang Sepakat Sdn. Bhd.

On 20 March 2025, Mayang Sepakat Sdn. Bhd. ("Mayang Sepakat"), an indirect wholly-owned subsidiary of the Company, further issued 857,500 new ordinary shares to Transzed Resources Sdn. Bhd., for a total consideration of RM857,500. Consequently, Mayang Sepakat became an indirect 70%-owned subsidiary of the Company.

The decrease of equity interest to non-controlling interests of Mayang Sepakat have the following effects on the Group:

	RM'000
Share of net assets after change in stake	848
Less: Ordinary share capital contributed by non-controlling interests of a subsidiary	(858)
Effects of dilution of interests in a subsidiary	(10)

A11. Fair value measurement

(a) Financial instruments that are carried at fair value

Financial assets at Fair Value Through Profit or Loss are measured at different measurement hierarchies (i.e. Levels 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

- (i) Level 1: Quoted prices (unadjusted) of identical assets in active markets

The Group does not have any financial instruments measured at Level 1 as at 30 June 2025 and 31 December 2024.

- (ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

The Group does not have any financial instruments measured at Level 2 as at 30 June 2025 and 31 December 2024.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A11. Fair value measurement (Cont'd)

(a) Financial instruments that are carried at fair value (Cont'd)

(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)

	As at 30.6.2025 RM'000	As at 31.12.2024 RM'000
Level 3		
Non-financial assets		
- Investment property	83,000	83,000
Financial assets		
- Unquoted share	10,584	10,584
- Short-term investments	1,672	27,633
	<u>95,256</u>	<u>121,217</u>

(b) Financial instruments that are not carried at fair value

The carrying amounts of financial assets and financial liabilities at amortised cost are reasonable approximations of fair values.

A12. Revenue

Current period to date ended 30.6.2025 RM'000	Preceding period to date ended 30.6.2024 RM'000
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Disaggregation of the Group's revenue from contracts with customers:

Timing of revenue recognition

- over time	82,585	58,043
- at point in time	-	120
	<u>82,585</u>	<u>58,163</u>

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

A13. Commitments

Save as disclosed below, there were no material capital commitments during the current quarter and financial period to date under review.

Capital commitment not provided for in the financial year as at 30 June 2025 is as follows:

	As at 30.6.2025 RM'000	As at 31.12.2024 RM'000
Approved and contracted but not provided for:		
- Acquisition of land held for property development	31,501	443,701
- Acquisition of property, plant and equipment	22,950	22,950
	<u>54,451</u>	<u>466,651</u>

A14. Related Party Transactions

The significant related party transactions as at current quarter and financial period to date were summarised as below:

Related parties	Nature of transactions	Current quarter ended 30.6.2025 RM'000	Current period to date ended 30.6.2025 RM'000
Alfa Sutramas Sdn. Bhd.	Interest income	298	611
Southern Score Sdn. Bhd.	Provision of main construction management services	(11,068)	(11,449)
Southern Score Digital Sdn. Bhd.	Provision of building information modelling services	(371)	(371)
Megan Projek Sdn. Bhd.	Rental expenses	<u>(179)</u>	<u>(358)</u>

A15. Changes in Contingent Liabilities and Assets

There were no material contingent liabilities or assets during the current quarter and financial period to date under review.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

Part B - Explanatory Notes Pursuant to Part A of Appendix 9B of The Main Market Listing Requirements of Bursa Securities

B1. Review of Performance

The comparison of the quarterly results is tabulated below:

Table 1: Financial review for current quarter and financial period to date

	Current quarter ended 30.6.2025 RM'000	Comparative quarter ended 30.6.2024 RM'000	Changes %	Current period to date ended 30.6.2025 RM'000	Preceding period to date ended 30.6.2024 RM'000	Changes %
Revenue	42,582	30,631	39	82,585	58,163	42
Gross Profit	13,151	9,875	33	24,956	19,734	26
Profit Before Tax ("PBT")	3,801	3,724	2	7,912	7,645	3

For the current quarter under review ("2QFY2025"), the Group registered revenue of RM42.6 million, gross profit of RM13.2 million, and PBT of RM3.8 million, compared to revenue of RM30.6 million, gross profit of RM9.9 million, and PBT of RM3.7 million in the comparative quarter ("2QFY2024"), representing an increase of RM12.0 million or 39% in revenue, an increase of RM3.3 million or 33% in gross profit, and an increase of RM0.1 million or 2% in PBT. The Group recorded higher revenue in 2QFY2025, primarily driven by its three ongoing projects, namely the Suite Canselor, Residensi Desa Timur and Radium Arena. In comparison, revenue in 2QFY2024 was mainly supported by two ongoing projects, namely the Suite Canselor and Residensi Desa Timur projects.

For the current period to date under review ("6MFY2025"), the Group registered revenue of RM82.6 million, gross profit of RM25.0 million, and PBT of RM7.9 million, compared to revenue of RM58.2 million, gross profit of RM19.7 million, and PBT of RM7.6 million in the preceding period to date ("6MFY2024"), representing an increase of RM24.4 million or 42% in revenue, an increase of RM5.3 million or 26% in gross profit, and an increase of RM0.3 million or 3% in PBT. The improved performance in 6MFY2025 was mainly contributed by our ongoing projects, namely the Suite Canselor, Residensi Desa Timur and Radium Arena projects. In comparison, the performance in 6MFY2024 was mainly supported by two ongoing projects, namely the Suite Canselor and Residensi Desa Timur projects.

Table 2: Financial review for current quarter compared with immediate preceding quarter

	Current quarter ended 30.6.2025 RM'000	Immediate preceding quarter ended 31.3.2025 RM'000	Changes %
Revenue	42,582	40,003	6
Gross Profit	13,151	11,805	11
PBT	3,801	4,111	(8)

The Group registered revenue of RM42.6 million, gross profit of RM13.2 million, and PBT of RM3.8 million in 2QFY2025, compared with revenue of RM40.0 million, gross profit of RM11.8 million, and PBT of RM4.1 million in the immediate preceding quarter ("1QFY2025"), representing an increase of RM2.6 million or 6% in revenue, an increase of RM1.4 million or 11% in gross profit, and a decrease of RM0.3 million or 8% in PBT. The decrease in PBT was mainly due to one-off expenses related to the launch of the Group's venture into the healthcare sector, which were recognised during the quarter under review.

During the current quarter under review, the performance was mainly driven by its on-going projects, namely the Suite Canselor, Residensi Desa Timur and Radium Arena projects.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B2. Group's Prospect

Prospects for the year 2025

Malaysia's economy grew by 4.5% in 2QFY2025, a slight improvement from 4.4% growth in 1QFY2025, according to advance estimates by the Department of Statistics Malaysia. On 9 July 2025, Bank Negara Malaysia reduced the Overnight Policy Rate by 25 basis points to 2.75%, in a proactive measure to support domestic economic momentum amid heightened global uncertainties.

In the property sector, the Real Estate and Housing Developers' Association ("REHDA") reported improved sentiment for the second half of 2025, with developers expressing greater optimism compared to the more neutral outlook earlier in the year. This positive shift in outlook is supported by positive government initiatives and anticipated post-festive consumer spending pointing to a more robust market environment ahead.

For FY2025, the Group's performance is expected to be primarily driven by its key development projects:

- Ongoing projects at Residensi Desa Timur, comprising Residensi Wilayah and Suite Apartments components, with a combined estimated gross development value ("GDV") of RM1 billion.
- Radium Arena, a newly launched 988-unit Suite Apartment in Old Klang Road in FY2024, with an estimated GDV of RM524 million, has garnered encouraging market responses since launch.
- New planned launch in FY2025, a joint venture development in Kepong, slated for launch in 4QFY2025, with a potential estimated GDV of RM400 million.

These projects represent the core of the Group's near-term revenue pipeline and reinforce its strategic focus on high-density residential development in prime location.

In parallel, the Group is actively pursuing business diversification to build recurring income streams and strengthen long term resilience. A key initiative is the Group's entry into the healthcare sector through the planned development of a hospital in Malacca via a wholly-owned subsidiary. This marks a strategic expansion into healthcare-related property development, aligned with the Group's commitment to sustainable and long-term growth.

Barring any unforeseen circumstances, the Board remains cautiously optimistic about the Group's prospects for the financial year 2025. Performance is expected to be driven by steady progress across ongoing development projects and contributions from new planned launch. The Group will continue to focus on discipline execution and prudent cost management amid an evolving operating environment.

B3. Variance of Actual Profit from Profit Forecast or Profit Guarantee

The Company did not issue any profit forecast or profit guarantee during the current quarter and financial period to date under review.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B4. Tax expense

	Current quarter ended 30.6.2025 RM'000	Current period to date ended 30.6.2025 RM'000
Current period provision	2,211	3,926
Under provision in prior year	181	181
	<u>2,392</u>	<u>4,107</u>
Deferred taxation	(434)	(589)
	<u>1,958</u>	<u>3,518</u>

The effective tax rate for the current quarter and financial period to date is higher than the statutory tax rate of 24% mainly due to non-deductibility of certain expenses and losses in certain subsidiaries that are not available to offset against taxable profits in subsidiaries within the Group.

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

B5. Status of corporate proposals

(a) Joint Venture Arrangement (“JVA”) with Kadar Jutajaya Sdn. Bhd.

On 20 September 2022, Rasa Wangi Development Sdn. Bhd. (“RWDSB”), a wholly-owned subsidiary of the Company, as the developer, entered into a JVA with Kadar Jutajaya Sdn. Bhd. (“KJSB”), as the landowner, to jointly develop for a proposed development consisting inter alia 404 units of Residensi Wilayah and 932 units of condominium (“Project”) on a piece of leasehold land held under HSD No.123036, No. Lot: PT50316, Negeri Wilayah Persekutuan Kuala Lumpur, Daerah Kuala Lumpur, Mukim Batu measuring approximately 21,505 square metres (“Land”). Pursuant to the JVA, the landowner grants unto the developer the exclusive right to carry out and implement the development on the Land, and the landowner shall be entitled, subject to the terms and conditions of the JVA, to receive the landowner's entitlement of 23% of the profit after tax of the developer for the Project, and in the event there are any unsold units upon the delivery of vacant possession of the Project, the developer shall at its discretion decide on the composition of the landowner's entitlement, that is, either fully in cash or a combination of cash and unsold units (based on the selling price as determined by the developer) or an amount of RM32,000,000 whichever the higher.

On 20 September 2023, both KJSB and RWDSB (“the Parties”) have agreed to extend the period for fulfilment of Condition Precedent for a further twelve (12) months commencing from 20 September 2023 to 19 September 2024 free of interest (“First Extension of Time”).

In furtherance thereto, KJSB and RWDSB had entered into the Supplemental Agreement on 20 September 2023 to document the Parties' option for further extension of time upon expiry of the First Extension of Time and involvement of KJSB (being the landowner) in project committee in relation to the said Project.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B5. Status of corporate proposals (Cont'd)

(a) Joint Venture Arrangement (“JVA”) with Kadar Jutajaya Sdn. Bhd. (Cont'd)

On 20 September 2024, the Parties have agreed to further extend the period for fulfilment of Condition Precedent for a further twelve (12) months commencing from 20 September 2024 to 19 September 2025 (“Second Extension of Time”), subject to interest of ten percent (10%) per annum calculated on daily basis based on the unpaid landowner’s entitlement.

The JVA is pending completion.

(b) Joint Development with N&M Cahaya Sdn. Bhd.

On 6 February 2023, the Company issued a letter of intent (“LOI”) to N&M Cahaya Sdn. Bhd. (“N&M Cahaya”) to jointly develop the piece of land held under H.S.(D) 123157, PT 50174, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 40,467 square meter (“Land”) by subscribing for three hundred thousand (300,000) ordinary shares in N&M Cahaya such that the Company will hold seventy-five per centum (75%) of the enlarged issued share capital of N&M Cahaya (“Subscription Shares”) on a fully diluted basis as at the date such shares are subscribed with the Subscription Amount of RM26,715,000 or a price based on valuation to be conducted on the Land by the appointed valuer, whichever lower. Notwithstanding the valuation of the Land, the Subscription Amount shall not be more than RM26,715,000. The LOI was accepted by N&M Cahaya on 10 February 2023 and the execution of Shares Subscription Agreement and Shareholders Agreement shall occur within thirty (30) days after all the Conditions Precedents are fulfilled within stipulated period or extended period as mutually agreed by the parties.

On 4 August 2023, both the Company and N&M Cahaya are agreeable to extend the period for fulfilment of Conditions Precedent by six (6) months from 7 August 2023 to 7 February 2024. All other terms of LOI shall remain in force and effect.

On 2 February 2024, upon completion of the due diligence on N&M Cahaya, N&M Cahaya is currently implicated in a legal suit involving the Land. As such, both the Company and N&M Cahaya are agreeable to further extend the period for another eighteen (18) months from 7 February 2024 to 6 August 2025 for N&M Cahaya to resolve the legal suit which N&M Cahaya is reasonably confident that it has a good chance to defend its position.

In addition, the future land use zone of the Land is currently pending the “Pelan Tempatan Kuala Lumpur” (PTKL 2040) to be gazetted. Hence, the extension period of 18 months is not an impediment to the progress as without PTKL 2040 being in force, the development order for the proposed development on the Land is unable to be processed by Dewan Bandaraya Kuala Lumpur.

The Company and N&M Cahaya had on 10 June 2025 mutually agreed to terminate the LOI in view of the continued uncertainty arising from resolution of legal proceedings pertaining to the Land.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B5. Status of corporate proposals (Cont'd)

(c) Acquisition of three (3) pieces of land by Radium J Velodrome Sdn. Bhd. (formerly known as Gi Citarasa Sdn. Bhd.)

On 25 November 2024, the Company announced that its indirect wholly-owned subsidiary, Radium J Velodrome Sdn. Bhd., had on even date entered into a conditional Sale and Purchase Agreement with Dupion Development Sdn. Bhd. for the proposed acquisition of the following 3 parcels of contiguous leasehold land:

- (i) a piece of 99-year leasehold land expiring on 16 July 2113 held under Pajakan Negeri 52861 Lot 480881, Tempat Velodrom Cheras, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 49,800 square metres (12.30 acres) bearing postal address Lot 480881, Jalan Yaacob Latif, Bandar Tun Razak, 56000 Wilayah Persekutuan Kuala Lumpur;
- (ii) a piece of 99-year leasehold land expiring on 23 June 2115 held under Pajakan Negeri 52880 Lot 481143, Tempat Jalan Cheras, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 2,625 square metres (0.65 acres) bearing postal address Lot 481143, Jalan Yaacob Latif, Bandar Tun Razak, 56000 Wilayah Persekutuan Kuala Lumpur; and
- (iii) a piece of 99-year leasehold land expiring on 23 June 2115 held under Pajakan Negeri 52879 Lot 481144, Tempat Jalan Cheras, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 835 square metres (0.21 acres) bearing postal address Lot 481144, Jalan Yaacob Latif, Bandar Tun Razak, 56000 Wilayah Persekutuan Kuala Lumpur,

for a total purchase consideration of RM458.0 million, to be satisfied entirely in cash ("Proposed Acquisition").

Details of the Proposed Acquisition were contained in the earlier announcement made on 25 November 2024.

The Sale and Purchase Agreement had turned unconditional on 13 March 2025, following the fulfilment of the conditions precedent. Further, the balance of purchase price has been paid in full to Dupion Development Sdn. Bhd. on 30 May 2025. Accordingly, the Proposed Acquisition has been deemed completed on even date.

(d) Acquisition of one (1) piece of land by Mayang Sepakat Sdn. Bhd.

On 3 December 2024, the Company's indirect wholly-owned subsidiary, Mayang Sepakat Sdn. Bhd. ("Purchaser"), entered into a conditional Sale and Purchase Agreement ("SPA") with Majlis Perbandaran Ampang Jaya ("Vendor") to acquire a piece of leasehold land expiring on 6 August 2108 held under PN110508, Lot No. 62019 Seksyen 15, Bandar Ampang, Daerah Ulu Langat, Negeri Selangor Darul Ehsan measuring approximately 2.56 acres (10,359 metre squares) in area ("the Land") for a total purchase consideration of RM45,000,888 ("Purchase Consideration") subject to the terms and conditions therein the SPA.

The Purchase Consideration shall be paid in the following manner:

- (i) 30% of Purchase Consideration amounting to RM13,500,266.40 was paid as deposit on 2 October 2024; and

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B5. Status of corporate proposals (Cont'd)

(d) Acquisition of one (1) piece of land by Mayang Sepakat Sdn. Bhd. (Cont'd)

The Purchase Consideration shall be paid in the following manner: (Cont'd)

- (ii) Balance purchase price amounting to RM31,500,621.60 to be paid within three (3) months from the Unconditional Date (defined herein) of the SPA, with an extension of three (3) months subject to interest at the rate of 8% per annum calculated on a daily basis only on the unpaid balance of the balance purchase price.

The SPA is subject to the following conditions precedent:

- (i) The SPA shall be conditional upon the Vendor having obtained the unconditional written consent and/or approvals from the appropriate authorities consenting to the transfer of the Land from the Vendor to the Purchaser ("the Letter(s) of Approval") within six (6) months from the date of SPA ("Conditional Period") and/or the extended period of three (3) months commencing immediately upon expiry of the Conditional Period granted by the Purchaser at the Purchaser's discretion.
- (ii) The SPA shall become unconditional on the date of the Purchaser's Solicitors' receipt of the original Letter(s) of Approval in favour of the Purchaser.

The SPA became unconditional on 23 July 2025 following the fulfilment of the conditions precedent. The acquisition is expected to be completed by the second half of 2025.

B6. Utilisation of Proceeds from the Public Issue

The status of the utilisation of proceeds from the Initial Public Offering (IPO) as at 30 June 2025 is as follows:

Details of use of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Reallocation RM'000	Balance unutilised RM'000	Estimated timeframe for the use of proceeds
Acquisition of landbank and/or development expenditure	171,000	167,600	-	3,400	Within 36 months
Repayment of bank borrowings	93,870	93,870	-	-	Within 24 months
Hotel construction	109,300	23,241	-	86,059	Within 36 months
Working capital	39,830	42,847	3,017 *	-	Within 24 months
Estimated listing expenses	20,000	16,983	(3,017) *	-	Immediate
Total	434,000	344,541	-	89,459	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company.

- * The unutilised balance of RM3.0 million allocated for estimated listing expenses were allocated to working capital.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B7. Group Borrowings and Debt Securities

(a) The Group's borrowings and debt securities at end of the financial period to date:

	Non-current RM'000	Current RM'000	Total RM'000
As at 30.6.2025			
Secured			
<u>Islamic:</u>			
Bank overdrafts	-	2,135	2,135
Bridging loan	-	18,935	18,935
Revolving credit	50,000	7,878	57,878
Term loans	271,413	1,238	272,651
	321,413	30,186	351,599
<u>Conventional:</u>			
Bridging loan	928	8,118	9,046
Hire purchase	559	232	791
Revolving credit	-	15,000	15,000
Term loans	52,923	2,194	55,117
	54,410	25,544	79,954
Total secured / Total borrowings	375,823	55,730	431,553
As at 31.12.2024			
Secured			
<u>Islamic:</u>			
Bridging loan	-	7,761	7,761
Revolving credit	-	7,514	7,514
	-	15,275	15,275
<u>Conventional:</u>			
Bridging loan	7,414	56	7,470
Hire purchase	674	227	901
Revolving credit	15,000	11	15,011
Term loans	50,510	10,732	61,242
	73,598	11,026	84,624
Total secured / Total borrowings	73,598	26,301	99,899

(b) Commentaries on the Group's borrowings and debt securities

During the financial period, the increase in the borrowings were mainly used for land acquisition purpose.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B8. Material Litigation

Vistarena Development Sdn. Bhd. ("Vistarena")

Vistarena ("the Defendant"), a 80%-owned subsidiary of the Company, had on 9 June 2023 being served with a Writ of Summons and Statement of Claim ("the Suit") from 241 individual purchasers of Block B, Residensi Platinum OUG ("the Plaintiffs"). Residensi Platinum OUG is the development undertaken by Defendant as the developer in which the vacant possession had been delivered in and around June 2022.

Prior to the filing of the Suit on 18 October 2022, there was a meeting held between representatives from relevant government authorities, the Defendant, the architect, the civil and structural consultant, main contractor as well as purchasers' representatives from Block A and Block B ("the Meeting") to discuss the issues pertaining, inter alia the entrances and defects. However, it was concluded in the meeting that the construction of separate entrances will be put on hold until the formation of the management corporation and the Defendant to expedite the defect rectification works.

Despite the proposed direction given by the relevant government authorities in the Meeting, the Plaintiffs had filed in the Suit against the Defendant at Kuala Lumpur High Court ("the Court"). The Suit is arising from, inter alia, alleged misrepresentation on separate entrances between Block A and Block B, no access control established by the Defendant for the common facilities designated for Block B, safety-related defects are not attended to by the Defendant, and no steps taken by the Defendant to address the alleged declination of the value of Block B.

The Plaintiffs are seeking, inter alia, the following reliefs from the Court:

- (a) a declaration that the Defendant has conducted in misrepresentation and breach of contract towards the Plaintiffs in the process of selling units to the Plaintiffs;
- (b) an injunction against the Defendant to take all necessary and reasonable steps to establish two (2) access paths at the entrance to Block A and Block B within a period of three (3) months from the date of judgment/order;
- (c) a judgment that the Defendant rectifies all listed safety-related defects, and the rectification works are to be completed to the satisfaction of the Plaintiffs' representative within a period of three (3) months from the date of judgment or order, with costs borne solely by the Defendant;
- (d) an order for general damages to be assessed by the Court;
- (e) Exemplary damages amounting to RM25,000.00 to be paid to each Plaintiff within seven (7) days from the date of judgment/order;
- (f) Cost; and
- (g) 5% interest on the judgement awarded by Court from the date of filing the Suit until full settlement.

On 21 September 2023, 104 individual purchasers of Block A (civil servants housing), Residensi Platinum OUG filed an application to intervene, claiming that, amongst others, they shall be heard/ allowed to intervene the proceeding so to protect their interest in the common properties given that the Plaintiffs' claims involving access to common properties, shared common area, shared entrance to access Residensi Platinum OUG in which their rights and interests would be affected by any decision from the Court. The Court has on 3 January 2024 allowed the application to intervene hence 104 individual purchasers of Block A were added as co-defendants ("the Co-defendants").

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B8. Material Litigation (Cont'd)

Vistarena Development Sdn. Bhd. ("Vistarena") (Cont'd)

On 5 March 2024, the Defendant filed an application for the disposal of the Plaintiffs' case on points of law ("Order 14A Application") and the hearing date was scheduled on 19 June 2024. Following the same, the Co-defendants also filed a separate application for the disposal of the Plaintiffs' case on points of law ("Co-defendants Application").

After numerous court's dates, on 4 October 2024, the date fixed for decision of Order 14A Application and Co-defendants Application, the court decided in favour of all the Defendants, i.e. need not to establish/construct two (2) separate entrances since the management corporation had been established.

On the same date, 4 October 2024, the Court proceeded to fix 29 November 2024 for:

- (I) case management on issue of defects and rectification works together with misrepresentation; and
- (II) hearing of the Plaintiffs' application to adduce supplementary affidavit (application to file additional affidavit by the Plaintiffs) (Plaintiffs' application filed prior to the decision of Order 14A Application and Co-defendants Application).

On 29 November 2024, the date was fixed for both case management for (I) and hearing of (II) above.

For case management of (I), on issue of misrepresentation and defects & rectification works, the Court gave directions as follows:

- 1. Next case management fixed on 3 October 2025; and
- 2. Trial dates on 19 April 2027 to 22 April 2027.

On 18 July 2025, the Defendant's solicitors had filed a letter of extension to the Court, seeking an extension of the date for the filing of the witness statements, which has been fixed on 22 July 2025. The Plaintiffs have no objection to the Defendant's request for an extension of time for the filing date of the parties' witness statements, respectively.

The Defendant's request for an extension of time for the filing of the witness statement is allowed, subsequently to be filed before or on 30 September 2025.

The next case management will be held on 3 October 2025 to update the Court on the status of the filing of the above.

As at the date of this report, there is no expected material financial impact arising from the Suit on the Defendant and the Company.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B9. Dividend

No dividend has been recommended by the Board of Directors for the current quarter under review.

B10. Earnings per Share ("EPS")

The basic EPS of the Group is calculated based on the profit attributable to owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue.

	Current quarter ended 30.6.2025	Comparative quarter ended 30.6.2024	Current period to date ended 30.6.2025	Preceding period to date ended 30.6.2024
Profit attributable to owners of the Company (RM'000)	785	489	2,644	2,434
Weighted average number of ordinary shares in issue ('000)	3,468,000	3,468,000	3,468,000	3,468,000
Basic EPS (sen)	0.02	0.01	0.08	0.07

The diluted EPS of the Group is equal to the basic EPS as the Group does not have any dilutive shares in issue.

B11. Auditors' Report on Preceding Annual Financial Statements

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

B12. Items included in the Statement of Profit or Loss

	Current quarter ended 30.6.2025 RM'000	Current period to date ended 30.6.2025 RM'000
Depreciation of property, plant and equipment	(483)	(981)
Depreciation of right-of-use assets	(217)	(427)
Fair value gain of short-term investments	13	780
Finance costs	(2,366)	(4,547)
Finance income	1,067	2,395
Gain on disposal of short-term investments	16	25



B U I L D I N G G O O D

RADIUM DEVELOPMENT BERHAD

Registration No.: 201301009006 (1038848-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 30 JUNE 2025

B13. Derivative Financial Instruments

The Group does not have any derivative financial instruments as at the date of this report.

B14. Fair Value Changes of Financial Liabilities

The Group does not have any financial liabilities that are measured at fair value at the date of this report.

By Order of the Board,
Datuk Gan Kah Siong
Group Managing Director

19 August 2025