



**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND  
OTHER COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	<u>31 Mar 2026</u> RM'000	<u>31 Mar 2025</u> RM'000	<u>31 Mar 2026</u> RM'000	<u>31 Mar 2025</u> RM'000
Revenue	34,266	37,021	34,266	37,021
Cost of sales	(28,427)	(29,177)	(28,427)	(29,177)
<b>Gross profit</b>	<b>5,839</b>	<b>7,844</b>	<b>5,839</b>	<b>7,844</b>
Other operating income	19	25	19	25
Interest income	89	93	89	93
Administrative expenses	(1,798)	(2,528)	(1,798)	(2,528)
Finance costs	(309)	(121)	(309)	(121)
<b>Profit from operations</b>	<b>3,840</b>	<b>5,313</b>	<b>3,840</b>	<b>5,313</b>
Share of results of joint ventures	88	-	88	-
<b>Profit before taxation</b>	<b>3,928</b>	<b>5,313</b>	<b>3,928</b>	<b>5,313</b>
Tax expense	(995)	(618)	(995)	(618)
<b>Profit after taxation</b>	<b>2,933</b>	<b>4,695</b>	<b>2,933</b>	<b>4,695</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>2,933</b>	<b>4,695</b>	<b>2,933</b>	<b>4,695</b>
<b><u>Net profit attributable to:</u></b>				
Owners of the company	2,933	4,695	2,933	4,695
<b><u>Total comprehensive income attributable to:</u></b>				
Owners of the company	2,933	4,695	2,933	4,695
Earnings per share attributable to owners of the Company (sen)	0.25	0.40	0.25	0.40

**(The unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)**

**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)

**CONDENSED CONSOLIDATED STATEMENT  
OF FINANCIAL POSITION (UNAUDITED)  
AS AT QUARTER ENDED 31 MARCH 2026**

	<b>As at</b> <b><u>31 Mar 2026</u></b> RM'000 <i>(Unaudited)</i>	<b>As at</b> <b><u>31 Dec 2025</u></b> RM'000 <i>(Audited)</i>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	497	528
Right-of-use assets	101	114
Goodwill	23,184	23,184
Investment in joint ventures	9,824	9,736
Deferred tax assets	5,509	5,502
Inventories	3,427	3,411
Other investments	-	833
	<b>42,542</b>	<b>43,308</b>
<b>Current Assets</b>		
Contract assets	35,096	37,118
Inventories	31,459	33,880
Trade receivables	104,912	100,426
Other receivables	19,106	19,269
Tax recoverable	2,412	3,013
Contract cost assets	33	39
Other investments	3,641	2,788
Fixed deposits placed with licensed banks	2,452	2,393
Cash and bank balances	10,261	7,432
	<b>209,372</b>	<b>206,358</b>
<b>TOTAL ASSETS</b>	<b>251,914</b>	<b>249,666</b>

**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (UNAUDITED)  
AS AT QUARTER ENDED 31 MARCH 2026 (CONT'D)**

	<b>As at 31 Mar 2026</b>	<b>As at 31 Dec 2025</b>
	RM'000	RM'000
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	146,042	146,042
Reserves	(8,035)	(10,968)
	<b>138,007</b>	<b>135,074</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	10	3
Bank borrowings	10,000	875
Lease liabilities	-	65
	<b>10,010</b>	<b>943</b>
<b>Current Liabilities</b>		
Contract liabilities	9,859	11,447
Bank borrowings	15,749	4,412
Lease liabilities	102	51
Trade payables	70,239	85,051
Other payables	4,422	9,181
Amount owing to joint venture	3,500	3,500
Tax payable	26	7
	<b>103,897</b>	<b>113,649</b>
<b>TOTAL LIABILITIES</b>	<b>113,907</b>	<b>114,592</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>251,914</b>	<b>249,666</b>
<b>Net assets per share (RM)</b>	<b>0.12</b>	<b>0.12</b>

**(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)**

**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

	<----- Non-Distributable ----->		Distributable	Total equity RM'000
	Share capital RM'000	Capital reserves RM'000	Accumulated losses RM'000	
<b>(Unaudited)</b>				
As at 1.1.2026	146,042	17,568	(28,536)	135,074
Profit/ Total comprehensive income for the financial period	-	-	2,933	2,933
As at 31.03.2026	<b>146,042</b>	<b>17,568</b>	<b>(25,603)</b>	<b>138,007</b>
<b>(Audited)</b>				
As at 1.1.2025	134,983	17,568	(45,521)	107,030
Profit/ Total comprehensive income for the financial year	-	-	16,985	16,985
Issuance of shares from private placement	11,059	-	-	11,059
As at 31.12.2025	<b>146,042</b>	<b>17,568</b>	<b>(28,536)</b>	<b>135,074</b>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)**

**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

	<u>31 Mar 2026</u>	<u>31 Dec 2025</u>
	RM'000	RM'000
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,928	21,461
Adjustments for: -		
Non-cash items	50	170
Non-operating items	(177)	(4,429)
	<hr/>	<hr/>
Operating profit before working capital changes	3,801	17,202
Changes in working capital: -		
Net changes in current assets	(1,478)	(77,087)
Net changes in current liabilities	(19,569)	41,599
	<hr/>	<hr/>
Cash generated from operations	(17,246)	(18,286)
Interest received	89	375
Interest paid	-	(367)
Tax paid	(376)	(3,174)
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>(17,533)</b>	<b>(21,452)</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(6)	(460)
Net changes in other investments	(20)	(1)
Purchase of land held for development	-	(333)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(26)</b>	<b>(794)</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bank borrowing	20,461	701
Repayments of lease liabilities	(15)	(91)
Increase in fixed deposit pledged	(58)	(68)
Proceeds from issuance of shares	-	11,059
Repayment of bank borrowing	-	(5,000)
	<hr/>	<hr/>
<b>Net cash generated from financing activities</b>	<b>20,388</b>	<b>6,601</b>
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	2,829	(15,645)
At beginning of financial period	7,432	23,077
	<hr/>	<hr/>
<b>At end of financial period</b>	<b>10,261</b>	<b>7,432</b>
	<hr/>	<hr/>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025)**

**LFE CORPORATION BERHAD**  
Company No: 200201011680 (579343 - A)

**NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

**A. EXPLANATORY NOTES AS PER MFRS 134**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with International Accounting Standard (“IAS”) 34, Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The interim financial statements should be read in conjunction with the most recent audited financial statements of the Group for the financial year ended 31 December 2025. These explanatory notes attached to the interim financial statements 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 financial year ended 31 December 2025.

**A2. Accounting Policies**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2025, except for the adoption of the following new MFRSs and amendments to MFRSs that are effective for the Group's financial year beginning on or after 1 January 2026, as disclosed below:

<b>New MFRSs/ Amendments to MFRSs</b>	<b>Description</b>
Amendments to MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to MFRS Accounting Standards	Volume 11

The adoption of the above new MFRSs and amendments to MFRSs did not have any material impact on the financial statements of the Group.

As at the date of authorisation of this interim financial report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective:

<b>MFRSs/ Amendments</b>	<b>Description</b>	<b>Effective Date</b>
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

**A3. Seasonality or Cyclical Factors**

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factors.

**A4. Unusual and Extraordinary Items**

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

**A5. Changes in Accounting Estimates**

There were no changes in estimates of amounts reported in the prior financial year that have a material effect on the current period and financial period-to-date results.

**A6. Debts and Equity Securities**

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

**A7. Dividends Paid**

No dividend was paid for the current quarter and financial period-to-date under review.

**A8. Segmental Reporting**

<b>3 month period ended</b>	<b>Construction/ Electrical &amp; Mechanical RM'000</b>	<b>Property Development RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b><u>REVENUE</u></b>				
Local sales	33,242	8,626	-	41,868
Inter-segment	(7,602)	-	-	(7,602)
Total external sales	<u>25,640</u>	<u>8,626</u>	<u>-</u>	<u>34,266</u>
<b><u>RESULTS</u></b>				
Operating profit	756	3,406	(13)	4,149
Interest expenses	(238)	(71)	-	(309)
Share of results of joint ventures	88	-	-	88
Profit before tax	<u>606</u>	<u>3,335</u>	<u>(13)</u>	<u>3,928</u>
Income tax expenses	(195)	(800)	-	(995)
Net profit for the period	<u>411</u>	<u>2,535</u>	<u>(13)</u>	<u>2,933</u>

**A9. Carrying Amount of Revalued Assets**

This is not applicable.

**A10. Material Events Subsequent to Balance Sheet Date of Previous Audit Report**

There are no material events subsequent to the end of the quarter under review that have not been reflected in the interim financial report.

**A11. Changes in the Composition of the Group**

There were no changes in the compositions of the Group during the current quarter and financial period under review.

**A12. Capital Commitments**

There were no capital commitments for the current quarter and financial period under review.

**A13. Changes in Contingent Liabilities and Contingent Assets**

There have been no material changes in the contingent liabilities of the Company and the Group since the date of the last financial statements.

**A14. Significant Related Party Transactions**

Our Group's transactions with company in which our directors or substantial shareholders have an interest during the financial period under review as follows:

	<u>31 Mar 2026</u>
	RM'000
PD Ara project	4,110
PuncakCity project	5,903
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**B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

**B1. Review of Performance**

The Group recorded total revenue of RM34.27 million for the current quarter, compared to RM37.02 million in the corresponding quarter of the preceding year, representing a decrease of approximately 7.4%. The decline was primarily attributable to the lower revenue contribution from the data centre project, as it had reached near completion during the current period. As a result, the percentage of completion recognised for these projects in the current quarter was lower compared to the corresponding quarter of the preceding year, which contributed more significantly to the Group's revenue.

Profit after tax (PAT) for the current quarter was RM2.93 million, down from RM4.70 million in the same period last year. The decrease in PAT was mainly attributable to lower gross profit contribution from the construction segment arising from the ongoing projects, particularly as several major projects were approaching completion stage during the current financial period.

**B2. Comparison between the Current Quarter and Immediate Preceding Quarter**

The Group reported revenue and PAT of RM34.27 million and RM2.93 million respectively, for the current quarter ended 31 March 2026. This compares to revenue of RM52.72 million and PAT of RM6 million in the immediate preceding quarter ended 31 December 2025.

The Group's revenue declined by RM18.45 million quarter-on-quarter, primarily driven by lower progressive billing from the PD Ara and Data Centre projects as both projects had progressed beyond their peak construction phases.

The share of results from joint ventures decreased significantly from RM4.93 million to RM0.09 million, as the preceding quarter was exceptionally high due to the project being substantially complete at that time. The lower JV contribution drove profit before tax (PBT) down, with the tax charge reducing accordingly from RM4.48 million to RM1.00 million. As a result, profit after tax (PAT) declined by approximately 50% to RM2.93 million quarter-on-quarter.

**B3. Future Prospects**

The Group remains focused on its core businesses in construction, Mechanical & Electrical (“M&E”), and property development, while maintaining a cautious approach amid the challenging economic environment and competitive market conditions. Supported by its existing order book and ongoing project pipeline, the Group continues to emphasise operational efficiency, cost control, and effective project execution to maintain profitability and healthy cash flow. The Group also adopts a selective approach in tendering for new projects, prioritising opportunities with suitable profit margins and manageable risks.

At the same time, the Group continues to explore growth opportunities in high-potential sectors, particularly data centre-related developments and technology-driven M&E services. The successful securing of M&E contracts for data centre projects is expected to strengthen the Group’s position in this growing segment and diversify its revenue base. In addition, the new launch of a property development phase during the financial year is expected to contribute positively to the Group’s revenue and earnings growth.

**B4. Variance of Actual Profit from Forecasted Profit and Shortfall in Profit Guarantee**

This is not applicable.

**B5. Taxation**

The tax liability incurred relates to the current tax provision made by the subsidiaries. There are no tax liabilities for one of the profitable subsidiaries in the current quarter because there are sufficient accumulated tax losses from previous years to cover the current tax liabilities.

**B6. Sale of Unquoted Investments and Properties**

This is not applicable.

**B7. Status of Corporate Proposals Announced**

There were no other corporate proposals announced but not completed as at the date of the announcement of this quarterly report.

**B8. Borrowings and Debt Securities**

Details of the Group’s borrowings are as follows:

	<u>31 Mar 2026</u> RM’000	<u>31 Dec 2025</u> RM’000
<b>Long Term</b>		
Bank borrowings	10,000	875
Lease liabilities	-	65
	<hr/> 10,000	<hr/> 940
<b>Short Term</b>		
Bank borrowings	15,749	4,412
Lease liabilities	102	51
	<hr/> 15,851	<hr/> 4,463
<b>Total</b>	<hr/> 25,851	<hr/> 5,403

All the borrowings are in Malaysian currency.

**B9. Off Balance Sheet Financial Instruments**

As at the reporting date, the Group does not have any off-balance sheet financial instruments.

**B10. Changes in Material Litigation**

On 18 March 2024, LFE had instituted legal action in High Court of Kuala Lumpur against Shapadu Boulevard Sdn Bhd [(Registration No. 201301041359 (1071183-K)) (“Shapadu”) and Lim Thiam Leong Realty Sdn Bhd [Registration No. 197101001179 (11539-U)] (“LTLR”) with a Writ and Statement of Claim issued by Messrs Chuah Qian & Partners, the solicitors of LFE.

The Writ and Statement of Claim against Shapadu and LTLR were due to Shapadu and LTLR have failed to fully satisfy their duties to pay the amount entitled by LFE under the letters of award and/or letter of appointment for numerous projects, which were recognised and/or acknowledged by Shapadu and LTLR.

Pursuant to the Writ of Summons and Statement of Claim, LFE claimed the following from Shapadu and LTLR:

- (i) The amount outstanding of RM1,049,318.77 to be jointly or severally paid;
- (ii) The amount outstanding of RM5,641,270.62 to be paid by Shapadu;
- (iii) The amount outstanding of RM78,237.00 to be paid by LTLR;
- (iv) Interest at the rate of 5% per annum from the date of filing Writ of Summons until the date of full and final settlement;
- (v) Costs on solicitors and client basis; and
- (vi) Other and/or further reliefs as the Honourable Court deems fit and just.

The Court has fixed the Trial for the Writ of Summons on 15 May 2028.

**B11. Dividend Payable**

No interim dividend has been recommended for the current quarter under review.

**B12. Earnings per Share**

The basic earnings per share have been calculated by dividing the Group's net profit for the period by the weighted average number of shares in issue.

	<b>INDIVIDUAL QUARTER</b> <b><u>31 Mar 2026</u></b>	<b>CUMULATIVE QUARTER</b> <b><u>31 Mar 2025</u></b>
Net Profit attributable to Owners of the Company ('000)	2,933	4,695
Number of shares ('000)	1,164,060	1,164,060
Basic Earnings per share (sen)	0.25	0.40

**B13. Total Comprehensive Income**

Total comprehensive income is derived after charging/(crediting):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	<u>31 Mar 2026</u>	<u>31 Mar 2025</u>	<u>31 Mar 2026</u>	<u>31 Mar 2025</u>
	RM'000	RM'000	RM'000	RM'000
Depreciation	50	35	50	35
Interest expenses	309	121	309	121
Interest income	(89)	(93)	(89)	(93)
	<hr/>	<hr/>	<hr/>	<hr/>

**B14. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 May 2026.