

PEGASUS HEIGHTS BERHAD

Company No.197401002677 (19727-P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2026**

	Note	Individual quarter ended		Cumulative quarter ended	
		30.06.26 RM'000	30.06.25 RM'000	30.06.26 RM'000	30.06.25 RM'000
Revenue	A4	2,059	2,708	4,321	5,468
Cost of sales		(1,163)	(1,560)	(2,220)	(2,989)
Gross profit		896	1,148	2,101	2,479
Other income		134	7	250	117
Administrative and other expenses		(2,472)	3,463	(4,354)	979
Finance cost		(9)	(35)	(19)	(87)
(Loss) / Profit before taxation	A4	(1,451)	4,583	(2,022)	3,488
Taxation	B5	-	-	-	-
(Loss) / Profit for the financial period		(1,451)	4,583	(2,022)	3,488
Other comprehensive income		-	-	-	-
Total comprehensive (loss) / profit for the financial period		(1,451)	4,583	(2,022)	3,488
(Loss) / Profit attributable to:					
Equity holders of the parent		(1,451)	4,583	(2,022)	3,488
Minority interests		-	-	-	-
		(1,451)	4,583	(2,022)	3,488
Total comprehensive (loss) / profit attributable to:					
Equity holders of the parent		(1,451)	4,583	(2,022)	3,488
Minority interests		-	-	-	-
		(1,451)	4,583	(2,022)	3,488
Earnings per share attributable to equity holders of the parent:					
Basic, for (loss) / profit for the period (sen)	B10	(0.01)	0.05	(0.02)	0.03
Diluted, for (loss) / profit for the period (sen)	B10	(0.01)	0.05	(0.02)	0.03

PEGASUS HEIGHTS BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026**

	Note	Unaudited As at 30.06.26 RM'000 (Unaudited)	Audited As at 31.12.25 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		1,014	636
Investment property		110,000	110,000
Right of Use Asset		123	246
		<u>111,137</u>	<u>110,882</u>
Current Assets			
Trade receivables		4,623	4,428
Other receivables		1,247	837
Inventories		39	46
Tax recoverable		74	63
Cash and bank balances		5,569	8,302
		<u>11,552</u>	<u>13,676</u>
TOTAL ASSETS		<u>122,689</u>	<u>124,558</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		30,176	30,176
Retained Earnings		85,143	87,165
Equity attributable to owners of the Company		<u>115,319</u>	<u>117,341</u>
Total Equity		<u>115,319</u>	<u>117,341</u>
Non-Current Liabilities			
Deferred tax liabilities		3,502	3,502
		<u>3,502</u>	<u>3,502</u>
Current Liabilities			
Bank Overdraft	B8	18	3
Lease Liability	B8	127	251
Trade payables		24	32
Other payables		3,699	3,429
		<u>3,868</u>	<u>3,715</u>
TOTAL LIABILITIES		<u>7,370</u>	<u>7,217</u>
TOTAL EQUITY AND LIABILITIES		<u>122,689</u>	<u>124,558</u>
Net assets per share (RM)		0.0107	0.0108

The unaudited 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.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2026**

Note	<----- Attributable to Equity Holders of the Parent ----->				Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	SIS Options Reserve RM'000	Distributable Accumulated Losses RM'000	Total RM'000		
Balance as at 01 January 2026	30,176	-	87,165	117,341	-	117,341
Total comprehensive (loss) for the financial period	-	-	(2,022)	(2,022)	-	(2,022)
Balance as at 30 June 2026	30,176	-	85,143	115,319	-	115,319
Balance as at 01 January 2025	30,176	5,768	84,914	120,858	-	120,858
Total comprehensive profit for the financial period	-	-	3,488	3,488	-	3,488
<u>Transaction with owners:</u>						
SIS Reserve	-	(5,768)	-	(5,768)	-	(5,768)
Total transaction with owners	-	(5,768)	-	(5,768)	-	(5,768)
Balance as at 30 June 2025	30,176	-	88,402	118,578	-	118,578

The unaudited 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.

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2026**

	Year Ended 30.06.26 RM'000	Year Ended 30.06.25 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(2,022)	3,488
Adjustments for:		
Depreciation	161	149
Impairment loss on trade receivables	54	414
(Gain) on disposal of plant, property and equipment	(112)	(44)
Interest expense	19	87
Interest income	(138)	(2)
Amortisation of right of use asset	123	125
SIS lapsed	-	(5,768)
Operating (loss) before working capital changes	(1,915)	(1,551)
(Increase)/ Decrease in receivables	(659)	1,261
Decrease in inventories	7	11
Increase in payables	262	354
Cash (used in) / generated from operations	(2,305)	75
Tax paid	(11)	(13)
Interest paid	(19)	(87)
Net cash (used in) operating activities	(2,335)	(25)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	138	2
Purchase of plant, property and equipment	(539)	110
Proceed from disposal of plant, property and equipment	112	(5)
Net cash (used in) / generated from investing activities	(289)	107
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease	(124)	(122)
Net cash (used in) financing activities	(124)	(122)
Net (used) in cash and cash equivalents	(2,748)	(40)
Cash and cash equivalents as at 1 January	8,299	(1,746)
Cash and cash equivalents as at end of period	5,551	(1,786)
CASH AND CASH EQUIVALENTS COMPRISE: -		
Cash and bank balances	5,569	320
Bank overdraft	(18)	(2,106)
	5,551	(1,786)

The unaudited condensed consolidated cash flow statement 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.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

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

The accounting policies and methods of computation adopted by the Company and its subsidiaries (“Group”) in the interim financial statements are consistent with those adopted for the annual audited statements for the year ended 31 December 2025.

The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior and current years or changes in comparatives.

A2. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2025 was not qualified by the Auditors of the Company.

PEGASUS HEIGHTS BERHAD
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A4. SEGMENTAL INFORMATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30.06.26	Preceding Year Corresponding Quarter 30.06.25	Current year to Date 30.06.26	Preceding Year Corresponding Period 30.06.25
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Property Management	1,779	2,155	3,696	4,246
Financial Services	118	275	264	656
Project Management Consultancy ("PMC")	-	-	-	-
Food and Beverage ("F&B")	199	344	432	700
Investment Holding and Others	-	-	-	-
Total revenue including inter-segment sales	2,096	2,774	4,392	5,602
Eliminations of inter-segment sales	(37)	(66)	(71)	(134)
Total Revenue	2,059	2,708	4,321	5,468
<u>Segment results</u>				
Property Management	(337)	(72)	(13)	(1)
Financial Services	(145)	(39)	(306)	(137)
Project Management Consultancy ("PMC")	(24)	(89)	(26)	(92)
Food and Beverage ("F&B")	(108)	(282)	(187)	(469)
Investment Holding and Others	(826)	6,482	(1,466)	5,661
Eliminations	(2)	(1,382)	(5)	(1,387)
(Loss) / Profit before interest and tax	(1,442)	4,618	(2,003)	3,575
Finance Cost	(9)	(35)	(19)	(87)
Taxation	-	-	-	-
(Loss) / Profit After Tax	(1,451)	4,583	(2,022)	3,488

As at 30 June 2026	Property Management RM'000	Financial Services RM'000	Project Management Consultancy RM'000	Food And Beverage RM'000	Investment Holding and Others RM'000	Eliminations RM'000	Group RM'000
Total segment assets	113,385	3,357	156	380	47,187	(41,776)	122,689
Unallocated asset:							
- Deferred tax assets	-	-	-	-	-	-	-
Total assets	113,385	3,357	156	380	47,187	(41,776)	122,689
Total Segment liabilities	89,970	2,882	9	4,271	2,274	(95,683)	3,723
Unallocated liabilities:							
- Finance Lease Liability	-	16	-	179	111	(179)	127
- Bank overdraft	18	-	-	-	-	-	18
- Deferred tax liabilities	3,502	-	-	-	-	-	3,502
Total liabilities	93,490	2,898	9	4,450	2,385	(95,862)	7,370

A4. SEGMENTAL INFORMATION (Continued)

As at 30 June 2025	Property Management RM'000	Financial Services RM'000	Project Management Consultancy RM'000	Food And Beverage RM'000	Investment Holding and Others RM'000	Eliminations RM'000	Group RM'000
Total segment assets	112,617	13,896	523	695	43,935	(43,518)	128,148
Unallocated asset:							
- Deferred tax assets	-	-	-	-	-	-	-
Total assets	112,617	13,896	523	695	43,935	(43,518)	128,148
Total Segment liabilities	87,836	12,853	95	3,771	2,113	(103,078)	3,590
Unallocated liabilities:							
- Finance Lease Liability	-	47	-	371	325	(371)	372
- Bank overdraft	2,106	-	-	-	-	-	2,106
- Deferred tax liabilities	3,502	-	-	-	-	-	3,502
Total liabilities	93,444	12,900	95	4,142	2,438	(103,449)	9,570

A5. 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 financial period ended 30 June 2026.

A6. CHANGES IN ESTIMATES

There was no change in estimates that has a material effect on the current quarter results.

A7. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors during the quarter under review.

A8. DIVIDENDS PAID

No interim dividend has been paid in the current financial period 30 June 2026. (30 June 2025: Nil).

A9. CARRYING AMOUNT OF REVALUED ASSETS

There were no other changes in carrying amount of revalued asset during the current financial quarter.

A10. DEBT AND EQUITY SECURITIES

There were no other issuance, cancellations, or repayments of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

A11. CHANGES IN COMPOSITION OF THE GROUP

There were no other changes in the composition of the Group during the current financial quarter.

A12. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial year.

A13. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the previous quarter.

A14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the previous quarter.

A15. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

A16. RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group are as follow:

Transactions with company in which a Director of the company has substantial financial interest	
	As at
	30.06.26
	30.06.25
	RM'000
	RM'000
Rental of premises	128
	128

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. PERFORMANCE REVIEW

	Individual Quarter		Changes (%)	Cumulative Period		Changes (%)
	30.06.26 RM'000	30.06.25 RM'000		30.06.26 RM'000	30.06.25 RM'000	
Revenue	2,059	2,708	(24.0)	4,321	5,468	(21.0)
(Loss) / Profit before interest and tax (LBIT/PBIT)	(1,442)	4,618	-	(2,003)	3,575	-
(Loss) / Profit before tax (LBT/PBT)	(1,451)	4,583	-	(2,022)	3,488	-
(Loss) / Profit after tax (LAT/PAT)	(1,451)	4,583	-	(2,022)	3,488	-
(Loss) / Profit attributable to ordinary equity holders of the parent	(1,451)	4,583	-	(2,022)	3,488	-

Review of results for the current quarter

For the second quarter ended 30 June 2026, the Group registered a revenue of RM2.06 million, LBIT of RM1.44 million and LBT of RM1.45 million as compared to a revenue of RM2.71 million, PBIT of RM4.62 million and PBT of RM4.58 million in the preceding year's corresponding quarter.

Commentary on revenue

The Group recorded lower revenue for the current quarter due to lower contributions from all segments. The revenue from Property Management, F&B and financial services decreased 17.4%, 42.2% and 57.1% respectively.

Overall, the Group's revenue decreased by 24.0% to RM 2.06 million compared to the preceeding year's corresponding quarter.

Commentary on LBIT and LBT

The Group recorded a LBIT and LBT for the current quarter compared to the preceding year's corresponding quarter, due to the reversal of Share Issuance Scheme ("SIS") charge arising from the lapse of SIS, amounting to RM5.77 million in the preceding year's corresponding quarter.

Review of results for the financial period ended 30 June 2026

The Group recorded revenue of RM4.32 million, LBIT of RM2 million and LBT of RM2.02 million for the financial period ended 30 June 2026 as compared to a revenue of RM5.47 million, PBIT of RM3.58 million and PBT of RM3.49 million in the financial period ended 30 June 2025.

Commentary on revenue

The Group recorded lower revenue for the current quarter due to lower contributions from all segments. The revenue from Property Management, F&B and financial services decreased 13.0%, 38.3% and 59.8% respectively.

Overall, the Group's revenue decreased by 21.0% to RM4.32 million compared to the preceeding year's corresponding quarter.

Commentary on LBIT/ LBT

The Group recorded a LBIT and LBT for the current quarter compared to the preceding year's corresponding quarter, due to the reversal of Share Issuance Scheme ("SIS") charge arising from the lapse of SIS, amounting to RM5.77 million in the preceding year's corresponding quarter. Stripping out the one time reversal of SIS charge, the Group recorded a lower LBIT and LBT.

B2. COMMENTS ON MATERIAL CHANGE IN LOSS BEFORE TAXATION FOR THE CURRENT QUARTER COMPARED TO THE PRECEDING QUARTER

	Current quarter 30.06.26 RM'000	Preceding quarter 31.03.26 RM'000	Changes (%)
Revenue	2,059	2,262	(4.4)
(Loss) before interest and tax (LBIT)	(1,442)	(561)	(91.2)
(Loss) before tax (LBT)	(1,451)	(571)	(91.0)
(Loss) after tax (LAT)	(1,451)	(571)	(91.0)
(Loss) attributable to ordinary equity holders of the parent	(1,451)	(571)	(91.0)

The Group recorded a decrease in revenue to RM2.06 million for the current quarter compared to RM2.26 million in the immediate preceding quarter ended 31 March 2026. The decrease in revenue was mainly due to the lower revenue contribution from property management segment.

The Group recorded a higher LBT of RM1.45 million for the current quarter as compared to LBT of RM0.57 million in the immediate preceding quarter ended 31 March 2026 due to the lower revenue contribution from property management segment and higher administrative expenses.

B3. COMMENTARY ON PROSPECTS

The mall's occupancy remained at 54.12% as at 30 June 2026, following the departure of an anchor tenant. Management continues to actively engage with various channels to secure new tenants for the available space.

F&B sales declined during the period, mainly due to the reduction in the number of operating outlets, coupled with the challenging environment.

The financial services segment remained stable in terms of performing loans due to the Group's strict credit policy and rigorous customer screening process. However, revenue from the financial services segment declined as the principal amount of the loans were repaid by the borrowers. As at the reporting date, only one loan remains outstanding.

In addition, the Group has announced the acquisition of a parcel of land in Port Dickson, Negeri Sembilan, which is intended for the development of a commercial development. This initiative represents a new potential avenue for the Group to diversify its business activities and create an additional source of revenue in the future.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

	Individual quarter ended		Cumulative quarter ended	
	30.06.26	30.06.25	30.06.26	30.06.25
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Provision for current year tax	-	-	-	-
Under provision for taxation	-	-	-	-
Total income tax expenses	-	-	-	-

B6. CORPORATE PROPOSALS

There were no corporate proposals in the current quarter under review, except for the following:

- 1) On 17 November 2025, UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd) on behalf of the Company announced that the Company proposes to undertake a private placement of up to 10% new shares of the total number of current issued shares in PHB (excluding treasury shares, if any) to third party investor(s). The issue price will be determined and announced later, in accordance with Sections 75 and 76 of the Companies Act 2016.

B8. BORROWINGS

	As at 30.06.2026 RM'000
Short-term borrowings: -	
-Secured	145
-Unsecured	-
	145
Long-term borrowings: -	
-Secured	-
-Unsecured	-
	-
Total Borrowings	145

	As at 30.06.2026 RM'000
Bank overdraft	18
Lease Liability	127
Total Borrowings	145

B9. CHANGES IN MATERIAL LITIGATION

There was no material litigation for the current financial period under review.

B10. EARNINGS PER SHARE

(a) Basic EPS

	Individual quarter ended		Cumulative quarter ended	
	30.06.26	30.06.25	30.06.26	30.06.25
(Loss) / Profit attributable to ordinary equity holders of the parent (RM'000)	(1,451)	4,583	(2,022)	3,488
Weighted average number of Ordinary Shares in issue ('000)	10,821,178	10,821,178	10,821,178	10,821,178
Basic (loss) / earning per share (sen)	(0.01)	0.05	(0.02)	0.03

(b) Diluted EPS

The Group has no dilution in its earnings per share in the current and corresponding period as there is no potential dilution to its ordinary shares.

B11. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivative financial instruments

As at 30 June 2026, the Group does not hold any derivative financial instruments.

(b) Disclosure of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities reported by the Group during the financial period under review.

B12. DISCLOSURE OF ADDITIONAL INFORMATION

Total comprehensive income for the period was derived after charging / (crediting) the following items:

	Cumulative quarter ended	
	30.06.26	30.06.25
	RM'000	RM'000
Interest income	(138)	(2)
Interest expenses	19	87
Impairment loss on trade receivables	54	414
Depreciation	161	149
(Gain) on disposal of plant, property and equipment	(112)	(44)
Amortization of right of use asset	123	125
SIS Lapsed	-	(5,768)

Saved as disclosed above and in the unaudited Condensed Consolidated Statements of Comprehensive Income, the other items under Appendix 9B, Part A (16) of the Listing Requirement of Bursa Malaysia Securities Berhad for the Main Market are not applicable.

By order of the Board
Dated this 21 August 2026