



**UNAUDITED INTERIM FINANCIAL REPORT
THIRD QUARTER PERIOD ENDED 31 MARCH 2026**

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Individual Quarter		Cumulative Quarter	
		31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
Revenue		48,530	43,117	150,299	128,416
Cost of sales		(25,078)	(23,602)	(77,083)	(67,680)
Gross profit		23,452	19,515	73,216	60,736
Other income		772	1,246	2,610	2,912
Net movement on impairment of financial instruments		(231)	(34)	(321)	(91)
Selling and distribution expenses		(8,345)	(7,645)	(25,853)	(22,952)
Administrative expenses		(4,112)	(3,830)	(11,909)	(11,155)
Finance costs		(991)	(1,142)	(3,201)	(3,496)
Profit before tax	27	10,545	8,110	34,542	25,954
Income tax expense	21	(2,500)	(1,628)	(8,342)	(4,985)
Profit for the financial period, representing total comprehensive income for the financial period		8,045	6,482	26,200	20,969
Profit attributable to the owners of the Company		8,045	6,482	26,200	20,969
Total comprehensive income attributable to owners of the Company		8,045	6,482	26,200	20,969
Earnings per share attributable to the owners of the Company					
Basic and diluted (sen)	26	1.70	1.37	5.54	4.43

Notes:

1. The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
2. Basic and diluted earnings per share is calculated based on the Company's issued share capital of 473,179,500 ordinary shares ("Shares") as at 31 March 2026.

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	Unaudited As at 31.03.2026 RM'000	Audited As at 30.06.2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		111,174	112,915
Right-of-use assets		68,031	64,095
Intangible assets	16	2,073	-
Deferred tax assets		319	179
		181,597	177,189
Current assets			
Inventories		30,759	35,583
Trade and other receivables		25,396	23,150
Current tax assets		237	3,584
Return assets		113	131
Short term funds		83,937	73,089
Cash and bank balances		15,942	22,725
		156,384	158,262
TOTAL ASSETS		337,981	335,451
EQUITY AND LIABILITIES			
Equity			
Share capital		154,620	154,620
Merger reserves		(87,204)	(87,204)
Retained earnings		160,013	141,337
TOTAL EQUITY		227,429	208,753
LIABILITIES			
Non-current liabilities			
Borrowings	23	79,073	81,853
Lease liabilities		2,636	3,123
Deferred tax liabilities		5,978	4,932
		87,687	89,908
Current liabilities			
Trade and other payables		8,748	14,468
Borrowings	23	11,391	21,109
Lease liabilities		727	803
Refund liabilities		147	158
Current tax liabilities		1,852	252
		22,865	36,790
TOTAL LIABILITIES		110,552	126,698
TOTAL EQUITY AND LIABILITIES		337,981	335,451
Net assets per share (RM)		0.48	0.44

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026
CONDENSED CONSOLIDATED OF FINANCIAL POSITION (CONTINUED)****Notes:**

1. The Unaudited Condensed Consolidated of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
2. Net assets per ordinary share is calculated based on the Company's issued share capital of 473,179,500 ordinary shares as at 31 March 2026.

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LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Note	<-----Non-distributable----->		Distributable	Total equity RM'000
	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	
At 1 July 2024	*	-	(1,665)	(1,665)
Profit (representing total comprehensive income) for the financial period	-	-	30,022	30,022
Total comprehensive income	-	-	30,022	30,022
Transaction with owners				
Issuance of ordinary shares pursuant to:				
- Acquisitions of subsidiaries in business combinations under common control	93,904	(87,204)	116,980	123,680
- Initial Public Offering	63,416	-	-	63,416
Share issuance expenses pursuant to the initial public offering	(2,700)	-	-	(2,700)
Dividends paid by subsidiaries	-	-	(4,000)	(4,000)
Total transactions with owners	154,620	(87,204)	112,980	180,396
At 30 June 2025 / 01 July 2025	154,620	(87,204)	141,337	208,753
Profit (representing total comprehensive income) for the financial period	-	-	26,200	26,200
Total comprehensive income	-	-		
Transaction with owners				
Dividends paid	-	-	(7,524)	(7,524)
Total transactions with owners	-	-		
At 31 March 2026	154,620	(87,204)	160,013	227,429

Notes:

* Less than RM1,000

- The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2026
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative 3 rd quarter	
	31.03.2026 RM'000	31.03.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	34,542	25,954
Adjustments for:		
Inventories written off	125	79
Bad debts (recover)/ written off	(9)	2
Depreciation of investment properties	-	280
Depreciation of right-of-use assets	1,342	1,741
Depreciation of property, plant and equipment	11,130	7,848
Dividend income	-	(2)
Finance costs	3,200	3,496
Interest income	(1,035)	(1,170)
Gain on disposal of plant and equipment	-	(10)
Property, plant and equipment written off	-	64
Impairment loss on trade receivables	321	91
Fair value gain on short term funds	(857)	(554)
Operating profit before changes in working capital	48,759	37,819
Changes in working capital		
Inventories	6,359	(10,655)
Trade and other receivables	(1,650)	(3,958)
Trade and other payables	(6,084)	(1,163)
Return assets	23	(11)
Refund liabilities	(21)	13
Cash generated from operations	47,386	22,045
Interest received	113	185
Dividend received	-	2
Tax paid	(2,667)	(4,496)
Tax refunded	69	-
Net cash generated from operating activities	44,901	17,736
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,574)	(16,434)
Purchase of right-of-use assets	(405)	(3,485)
Proceeds from disposal of plant and equipment	-	10
Acquisition of subsidiary, net of cash acquisition	(10,121)	-
Net placement of short term funds	(9,078)	(54,256)
Net cash used in investing activities	(28,178)	(74,165)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of banker's acceptances	(10,789)	910
Net repayment of term loans	(3,031)	(8,300)
Net repayment of lease liabilities	(634)	(432)
Interest paid	(3,152)	2,178
Government grant received	-	148
Proceeds from share issuance	-	60,716
Dividends paid to shareholders	(7,524)	(4,000)
Net cash (used in)/ generated financing activities	(25,130)	51,220

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2025
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**

	Cumulative 3 rd quarter	
	31.03.2026 RM'000	31.03.2025 RM'000
Net decrease in cash and cash equivalents	(8,407)	(5,209)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at 1 July 2025/2024	21,000	14,743
Cash and cash equivalents at 31 March	12,593	9,534
Cash and cash equivalents comprise:		
Cash and bank balances	12,593	9,534
Fixed deposits with licensed banks	3,349	1,708
	15,942	11,242
Less: Fixed deposits pledged	(3,349)	(1,708)
Cash and cash equivalents included in the consolidated statements of cash flows	12,593	9,534

Note:

1. The basis of the preparation of the Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

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LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial report of Life Water Berhad (“**Life Water**” or the “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

The interim financial report is presented in Ringgit Malaysia (“**RM**”) and all values are rounded to the nearest thousand (“**RM’000**”) except when otherwise indicated

2. Basis of Accounting

The significant accounting policies and methods of computation adopted by the Group in this interim financial report is consistent with those adopted as disclosed in the Audited Financial Statements for the financial year ended 30 June 2025.

The Group adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“**MASB**”) in the current financial quarter and period under review.

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group.

3. Declaration on Audit Qualification

The audited financial statements of the Group for the financial year ended 30 June 2025 was not subject to any audit qualification.

4. Seasonal or Cyclicity of Operations

The business operations of the Group are generally not materially affected by any seasonal or cyclical factors. However, the Group would record higher sales prior and during the festive seasons such as Hari Raya and Harvest Festival.

5. Items of Unusual Nature, Size or Incidence

There were no items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows in the current financial quarter and period under review.

6. Material changes in Accounting Estimates

There were no material changes in accounting estimates during the current financial quarter and period under review.

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial year.

8. Dividends Paid

On 25 August 2025, the Group declared an interim single tier dividend of RM0.0159 per ordinary share amounting to approximately RM7.52 million in respect of the financial year ended 30 June 2025, which was paid on 13 November 2025.

9. Segmental Information

- Business segment

The primary activities of the Group are in a single industry segment of processing, marketing and sales of drinking water, carbonated drinks, fruit drinks, sauce, condiments and PET containers. Other reporting segment include manufacture and sales of PET bottles and recycling of plastic products, which are not of a sufficient size to be reported separately.

Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group has only one (1) reportable segment.

- The Group evaluates performance on the basis of profit or loss for current financial quarter and period under review.
- Geographical information.

The business activities of the Group are solely located in Malaysia and as such segment reporting by geographical location is not presented.

- Major customer

There is no customer with revenue equal to or more than ten per centum (10%) of the Group's revenue.

10. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter and period under review.

11. Material Subsequent Events

There was no material event subsequent to the end of the financial quarter.

12. Changes in the Composition of The Group

Save for the Acquisitions as disclosed in Note 16, there were no material changes in the composition of the Group for the current financial quarter and period under review.

13. Contingent Assets and Contingent Liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS
134, INTERIM FINANCIAL REPORTING (CONTINUED)****14. Capital Commitment**

Save as disclosed below, there were no capital commitments:

	As At 31.03.2026 RM'000
Capital expenditure in respect of purchase of property, plant, and equipment	
Approved and contracted for	9,909
Approved but not contracted for	58,206
	<u><u>68,115</u></u>

15. Related Party Transaction

There were no material transactions with related parties to the end of the current financial quarter and period under review.

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LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

**PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS
134, INTERIM FINANCIAL REPORTING (CONTINUED)**
16. Intangible assets

Included in intangible assets are goodwill amounting to RM2,072,677 arising from the acquisition of new subsidiary during the year.

The Group completed its acquisition of the entire equity interest in Twinine Sdn. Bhd. (“**Twinine**”) on 1 July 2025, marking its strategic entry into the broader Fast Moving Consumer Goods (“**FMCG**”) market. This acquisition enables the Group to leverage Twinine’s established distribution network and create synergies for expanded condiment distribution and cross-selling opportunities.

The following summarises the major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities determined at the acquisition date:

	31.03.2026
	RM’000
Fair value of consideration transferred	
Cash and cash equivalents	10,500
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	3,306
Right-of-use assets	2,384
Deferred tax assets	6
Inventories	1,660
Trade and other receivables	842
Return assets	5
Cash and bank balances	1,976
Trade and other payables	(496)
Borrowings	(1,059)
Lease liabilities	(71)
Refund liabilities	(10)
Current tax liabilities	(116)
Total identifiable net assets	<u>8,427</u>
	31.03.2026
	RM’000
Net cash outflow arising from acquisition of subsidiaries	
Purchase consideration settled in cash and cash equivalents	10,500
Cash and cash equivalents acquired	<u>(379)</u>
	<u>10,121</u>
Goodwill	
Goodwill was determined as a result of the acquisition as follows:	
Total consideration transferred	10,500
Fair value of identifiable net assets	<u>(8,427)</u>
Goodwill	<u>2,073</u>

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LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
(Incorporated in Malaysia)

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

17. Review of Performance

	Individual Quarter		Cumulative Quarter	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
Revenue	48,530	43,117	150,299	128,416
Gross profit ("GP")	23,452	19,515	73,216	60,736
Profit before tax ("PBT")	10,545	8,110	34,542	25,954
Profit after tax ("PAT")	8,045	6,482	26,200	20,969
GP margin (%)	48.32%	45.26%	48.71%	47.30%
Effective tax rate (%)	23.71%	20.07%	24.15%	19.21%
PBT margin (%)	21.73%	18.81%	22.98%	20.21%
PAT margin (%)	16.58%	15.03%	17.43%	16.33%

The Group recorded revenue of RM48.53 million for the quarter ended 31 March 2026 ("Q3 FY2026"), representing an increase of 12.55% or RM5.41 million compared to RM43.12 million recorded in the corresponding quarter of the preceding financial year ("Q3 FY2025").

The increase in revenue was mainly attributable to higher sales volume of drinking water following the expansion of production capacity at the Sandakan Sibuga Plant 1 in June 2025, coupled with the contribution from the sauces and condiments segment following the acquisition of Twinine Sdn. Bhd. in July 2025.

Of the total revenue recorded during the quarter, the manufacture and sale of beverages remained the Group's core business segment, contributing RM46.31 million or 95.43% of total revenue. The sauces and condiments segment contributed RM2.17 million or 4.47%, while sales of plastic bottles and containers contributed RM0.05 million or 0.10%.

Within the beverages segment, drinking water continued to be the Group's principal revenue contributor, accounting for RM39.57 million or 81.53% of total revenue. Carbonated beverages contributed RM6.60 million or 13.61%, while fruit drinks contributed RM0.14 million or 0.29%.

Gross profit ("GP") increased by 20.17% or RM3.94 million to RM23.45 million from RM19.51 million recorded in Q3 FY2025. Consequently, GP margin improved from 45.26% to 48.32%, mainly attributable to stronger sales performance, improved product mix and enhanced operational efficiencies achieved during the quarter.

Profit before tax ("PBT") increased by 30.09% or RM2.44 million to RM10.55 million compared to RM8.11 million in Q3 FY2025, in line with the higher revenue contribution and improved operational performance. As a result, PBT margin improved from 18.81% to 21.73%.

Profit after tax ("PAT") increased by 24.11% or RM1.56 million to RM8.05 million compared to RM6.48 million recorded in the corresponding quarter of the preceding financial year. Accordingly, PAT margin improved from 15.03% to 16.58%.

The Group recorded an effective tax rate of 23.71% during the current quarter compared to 20.07% in Q3 FY2025. The increase was mainly attributable to the recognition of deferred tax liabilities and the non-recognition of deferred tax assets on certain temporary differences.

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LIFE WATER BERHAD

Registration No: 202301002484 (1496403-W)
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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

18. Comparison with immediate preceding quarter's results

	Individual Quarter		Movement	
	31.03.2026 RM'000	31.12.2025 RM'000	RM'000	%
Revenue	48,530	50,535	(2,005)	-3.97
Gross profit ("GP")	23,452	24,910	(1,458)	-5.85
Profit before tax ("PBT")	10,545	11,799	(1,254)	-10.63
Profit after tax ("PAT")	8,045	8,781	(736)	-8.38
GP margin (%)	48.32%	49.29%		-0.97
Effective tax rate (%)	23.71%	25.58%		-1.87
PBT margin (%)	21.73%	23.35%		-1.62
PAT margin (%)	16.58%	17.38%		-0.80

The Group recorded revenue of RM48.53 million for the current quarter, representing a marginal decrease of 3.97% or RM2.01 million compared to RM50.54 million recorded in the immediate preceding quarter.

The decrease in revenue was mainly attributable to softer demand for drinking water during the monsoon season, which typically results in lower consumer off-take and reduced distribution activity in certain regions.

Gross profit ("GP") decreased by 5.85% or RM1.46 million to RM23.45 million from RM24.91 million recorded in the immediate preceding quarter. Consequently, GP margin declined marginally from 49.29% to 48.32%, primarily due to the lower revenue base and changes in product mix during the current quarter.

Profit before tax ("PBT") decreased by 10.63% or RM1.25 million to RM10.55 million compared to RM11.80 million recorded in the immediate preceding quarter. The decline was mainly attributable to lower revenue contribution and higher operating expenses, including increased logistics and distribution costs arising from fleet expansion, as well as higher staff-related costs. Consequently, PBT margin declined from 23.35% to 21.73%.

Profit after tax ("PAT") decreased by 8.38% or RM0.74 million to RM8.05 million compared to RM8.78 million recorded in the immediate preceding quarter, mainly due to the lower PBT recorded during the quarter. Accordingly, PAT margin decreased from 17.38% to 16.58%.

19. Prospects and Outlook for the Current Financial Year

The Group remains committed to strengthening its operational capabilities, distribution network and product portfolio to support sustainable growth and market expansion across Sabah, Labuan, parts of Sarawak and Brunei.

The integration of Twinine Sdn. Bhd. is progressing as planned and is expected to further enhance the Group's diversification strategy, broaden its product offerings and strengthen its distribution reach.

Looking ahead, the Group continues to closely monitor cost pressures and supply chain disruptions arising from heightened global and regional geopolitical uncertainties, including the Iran-US conflict since February 2026 and disruptions to shipping activities through the Strait of Hormuz, which have contributed to higher global crude oil and polyethylene terephthalate ("PET") resin prices. In addition, the revision of electricity tariffs in Sabah effective February 2026 may result in increased operating costs for the Group.

In response to these challenges, the Group remains focused on enhancing operational efficiencies, optimising supply chain management and implementing disciplined cost control measures. While internal mitigation initiatives remain the Group's primary focus, gradual selling price adjustments may be implemented where necessary after taking into consideration prevailing market conditions and consumer affordability.

Barring any unforeseen circumstances, the Board remains cautiously optimistic on the Group's performance for the current financial year.

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Registration No: 202301002484 (1496403-W)
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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

20. Variance of Actual Profit Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter and period under review.

21. Tax Expenses

	Individual Period		Cumulative Period	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
In respect of current period:				
Current year tax expenses	2,370	1,432	7,430	4,700
Deferred tax	130	196	912	285
	<u>2,500</u>	<u>1,628</u>	<u>8,342</u>	<u>4,985</u>
Effective tax rate (%)	23.71	21.30 ⁽¹⁾	24.15 ⁽²⁾	18.81 ⁽¹⁾
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

1. The effective tax rate of the Group for the current period were lower than the statutory tax rate of 24% mainly due to utilisation of Reinvestment Allowance (“**RA**”) incentive and the recognition of deferred tax assets on unutilised RA on properties, plant and machinery.
2. The effective tax rate of the Group for the current period were higher than the statutory tax rate of 24% mainly due to the recognition of deferred tax liabilities and the non-recognition of deferred tax assets on certain temporary differences.

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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
22. Utilisation of Proceeds from IPO

Further to the completion of the IPO on 13 November 2024, the Group raised gross proceeds of approximately RM63.42 million from the IPO via Public Issue. As at 31 March 2026, RM34.21 million of the total proceeds raised has been utilised as follow:

Details of utilisation	Proposed Utilisation	Actual Utilisation	Balance Unutilised	Approved Timeframe for the utilisation upon listing ⁽¹⁾	Revised Timeframe for the utilisation upon listing ⁽²⁾
	RM'000	RM'000	RM'000		
Purchase PET injection moulding machine	5,000	5,000	-	Within 2 months	
Set-up additional drinking water manufacturing line for Sandakan Sibuga Plant 1	19,000	19,000	-	Within 9 months	
Set up an automated warehouse racking system in KK IZ8 Plant 1	4,606	-	4,606	Within 14 months	Within 32 months
Purchase of drinking water manufacturing line for Sandakan Sibuga Plant 2	12,000	-	12,000	Within 32 months	
Set-up third distribution centre in Sandakan	12,600	-	12,600	Within 39 months	
Working capital	4,210	4,210	-	Within 3 months	
Estimated listing expenses	6,000	6,000	-	Within 3 months	
Total	63,416	34,210	29,206		

Notes:

- The proposed utilisation of the proceeds as disclosed above should be read in conjunction with the Company's prospectus dated 22 October 2024.
- On 24 November 2025, an announcement was issued to extend the timeframe for the utilisation of unutilised proceeds from within 14 months to 32 months, from the date of the Company Listing allocated for set up an automated warehouse racking system in KK IZ8 Plant 1.

23. Borrowings

		Unaudited as at 31.03.2026 RM'000	Unaudited as at 31.03.2025 RM'000
Current Liabilities			
Term loans	Secured	6,952	5,848
Banker's acceptances	Secured	4,439	12,240
		<u>11,391</u>	<u>18,088</u>
Non-Current Liabilities			
Term loans	Secured	<u>79,073</u>	<u>83,615</u>
Total		<u>90,464</u>	<u>101,703</u>

The above borrowings are denominated in Ringgit Malaysia.

LIFE WATER BERHAD

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(Incorporated in Malaysia)

PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

24. Material Litigations

The Group is not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on the Group's financial position, and the Group's Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the financial position or business as at the date of this interim financial report.

25. Dividends

On 25 August 2025, the Board of Directors declared an interim dividend of RM0.0159 per ordinary share amounting to approximately RM7.52 million in respect of the financial year ended 30 June 2025, which will be payable on 13 November 2025 to shareholders whose name appeared in the Record of Depositors of the Company at the close of business on 16 October 2025.

Saved for the above, no dividend was declared during the current financial quarter ended 31 March 2026.

26. Earnings per Share

The earnings per share of the current financial quarter and financial year-to-date are calculated as follows,

	Individual Quarter		Cumulative Quarter	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Profit attributable to the owners of the Company (RM'000)	8,045	6,482	26,200	20,969
Number of ordinary shares ('000)	473,180	473,180	473,180	473,180
Basic and diluted earnings per share (sen)	1.70	1.37	5.54	4.43

Notes:

1. Diluted earnings per ordinary share equals basic per ordinary share as there were no dilutive potential ordinary shares.

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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
27. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

Profit before tax is arrived at:

	Individual Quarter		Cumulative Quarter	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
After charging :				
Auditors' remuneration:				
- statutory audit				
- current year	42	25	122	82
- other services	38	11	38	11
Impairment loss on trade receivables	231	34	321	91
Depreciation of:				
- Property, plant and equipment	3,708	2,818	11,130	7,848
- Investment properties	-	93	-	280
- Right-of-use assets	441	565	1,342	1,741
Realised loss on foreign exchange	-	20	-	22
Inventories written off	24	23	125	79
Interest expenses on:				
- lease liabilities	37	57	117	163
- borrowings	954	1,084	3,083	3,333
Property, plant and equipment written off	-	-	-	64
And crediting :				
Interest income	(344)	(450)	(1,035)	(1,170)
Rental income	(129)	-	(373)	(639)
Dividend income	-	(1)	-	(2)
Gain on disposal of plant and equipment	-	-	-	(10)
Recover from bad debts written off	(1)	(2)	(9)	-
Fair value gain on short term fund	(243)	(393)	(857)	(554)

Notes:

N/A – Not Applicable

- This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the third quarter ended 31 March 2026 announced in compliance with Listing requirements and as such, there are no comparative figures for the preceding year's corresponding period.

28. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 25 May 2026.