DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2025

Table of Contents	Page

DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2025

		INDIVIDUAL QUARTER		YEAR TO DATE ENDED	
		QUARTER ENDED	QUARTER ENDED	**QUARTER ENDED**	QUARTER ENDED
RM'000	**Note**	**30/09/2025**	30/09/2024	**30/09/2025**	30/09/2024
		Unaudited	Unaudited	**Unaudited**	Unaudited
Revenue	A12	278,066	269,218	694,365	656,542
Cost of sales		(207,868)	(191,996)	(500,199)	(480,697)
Gross profit		70,198	77,222	194,166	175,845
Other operating income		1,856	2,693	5,109	6,781
Selling and distribution costs		(9,534)	(12,792)	(32,371)	(33,137)
Administrative expenses		(24,267)	(20,222)	(64,093)	(52,482)
Other operating (expenses)/income[1]		(1,848)	(45)	(4,358)	898
Operating profit		36,405	46,856	98,453	97,905
Finance costs		(601)	(163)	(1,023)	(301)
Share of results of a joint venture (net of tax)	B9	243	239	743	749
Share of results of an associate (net of tax)	B10	644	1,628	3,061	5,011
Profit before tax	B17	36,691	48,560	101,234	103,364
Tax expense	B5	(7,773)	(11,892)	(24,924)	(26,222)
Profit for the period		28,918	36,668	76,310	77,142
Currency translation differences		(278)	2	(277)	10
Reclassification of reserves upon liquidation of a subsidiary during the period		0	0	0	1,686
Total comprehensive income for the period		28,640	36,670	76,033	78,838
Profit attributable to:					
- Equity holders of the Company		22,088	25,069	54,081	56,692
- Non-controlling interests		6,830	11,599	22,229	20,450
		28,918	36,668	76,310	77,142
Total comprehensive income attributable to:					
- Equity holders of the Company		21,893	25,070	53,887	58,383
- Non-controlling interests		6,747	11,600	22,146	20,455
		28,640	36,670	76,033	78,838
Basic/Diluted earnings per share (EPS) attributable to equity holders of the Company (sen)		5.50	6.24	13.47	14.12
[1] Other operating (expenses)/income include the following:					
Foreign exchange gain/(loss):					
- Realised		304	(458)	(252)	3,461
- Unrealised		210	(2,862)	604	(5,182)
Fair value gain/(loss) on forward foreign currency exchange contracts		152	6,347	(1,350)	7,010
Impairment made:					
- trade receivables		(91)	0	(91)	0
- other receivables		0	(2,449)	0	(2,461)
Write back of impairment:					
- trade receivables		0	0	292	1,053
- other receivables		2	0	70	2
Write off:					
- trade receivable		(1,684)	0	(1,684)	0
- plant and equipment		(2)	0	(2)	(9)
Gain/(loss) on liquidation of a subsidiary		0	323	0	(1,363)

The above unaudited condensed interim consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

RM'000	Note	As at 30/09/2025 Unaudited	As at 31/12/2024 Audited
ASSETS			
Property, plant and equipment*		101,008	91,327
Investment properties		635	653
Intangible assets		27,487	152
Joint venture	B9	36,656	35,913
Associate	B10	22,746	23,205
Deferred tax assets		5,460	4,496
Other receivables		6,394	9,504
Financial assets at fair value through other comprehensive income ("FVOCI")		6,852	6,515
Cash and bank balances		0	3,853
Non-current Assets		207,238	175,618
Inventories		29,059	45,421
Amounts due from an associate		11	1,280
Amounts due from a joint venture		158	536
Accrued lease rental		157	0
Trade receivables	B11	105,938	125,763
Contract assets		203,023	171,384
Other receivables, deposits and prepayments		34,137	15,904
Derivative financial instrument	A7	64	100
Tax recoverable		2,710	1,560
Financial assets at fair value through profit or loss ("FVTPL")		83,126	0
Cash and bank balances		150,161	195,406
Current Assets		608,544	557,354
TOTAL ASSETS		815,782	732,972
EQUITY AND LIABILITIES			
Share capital		201,802	201,802
Retained earnings		327,995	311,258
Merger deficit		(50,000)	(50,000)
Foreign currency translation		(210)	(16)
Equity attributable to equity holders of the Company		479,587	463,044
Non-controlling interests		47,030	35,101
Total Equity		526,617	498,145
Borrowings	B12	24,645	7,769
Deferred income		143	170
Deferred tax liabilities		8,315	8,736
Other payables		1,177	0
Non-current Liabilities		34,280	16,675
Trade payables		156,751	148,052
Contract liabilities		23,834	2,900
Other payables and accruals		52,555	48,684
Derivative financial instrument	A7	91	0
Provision for taxation		8,717	11,173
Borrowings	B12	12,937	7,343
Current Liabilities		254,885	218,152
Total Liabilities		289,165	234,827
TOTAL EQUITY AND LIABILITIES		815,782	732,972

* Inclusive of right-of-use assets

The above unaudited condensed interim consolidated statement 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 attached to the interim financial statements.

DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Attributable to equity holders of the Company							
	Issued and fully paid ordinary shares		Non-distributable		Distributable			
	Number of shares	Share capital	Foreign currency translation	Merger deficit	Retained earnings	Total	Non-controlling interests	Total equity
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	401,553	201,802	(1,702)	(50,000)	263,290	413,390	33,061	446,451
Profit for the financial period	0	0	0	0	56,692	56,692	20,450	77,142
Other comprehensive income for the financial period	0	0	5	0	0	5	5	10
Reclasssification adjustment relating to a subsidiary liquidated during the financial period	0	0	1,686	0	0	1,686	0	1,686
Total comprehensive income for the financial period	0	0	1,691	0	56,692	58,383	20,455	78,838
Dividend	0	0	0	0	(30,920)	(30,920)	(7,542)	(38,462)
Liquidation of a subsidiary with NCI	0	0	0	0	0	0	(323)	(323)
At 30 September 2024	401,553	201,802	(11)	(50,000)	289,062	440,853	45,651	486,504
At 1 January 2025	401,553	201,802	(16)	(50,000)	311,258	463,044	35,101	498,145
Profit for the financial period	0	0	0	0	54,081	54,081	22,229	76,310
Other comprehensive income for the financial period	0	0	(194)	0	0	(194)	(83)	(277)
Total comprehensive income for the financial period	0	0	(194)	0	54,081	53,887	22,146	76,033
Dividend	0	0	0	0	(37,344)	(37,344)	(11,676)	(49,020)
Acquisition of a subsidiary company	0	0	0	0	0	0	1,459	1,459
At 30 September 2025	401,553	201,802	(210)	(50,000)	327,995	479,587	47,030	526,617

The above unaudited condensed interim consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	YEAR TO DATE ENDED	
RM'000	**30/09/2025**	**30/09/2024**
	Unaudited	**Unaudited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	76,310	77,142
Adjustments for:		
Trade receivables:		
- impairment	91	0
- write back of impairment	(292)	(1,053)
Other receivables:		
- impairment	0	2,461
- write back of impairment	(70)	(2)
Inventories:		
- impairment	814	794
- write back of impairment	(2,315)	(3,412)
Foreseeable loss:		
- impairment	5	0
Income accretion on other receivable	0	(52)
Amortisation of intangible assets	20	30
Amortisation of government grants	(27)	(27)
Depreciation:		
- property, plant and equipment*	22,319	22,912
- investment properties	18	18
Liquidated damages		
- provision	78	0
- write back	(1,542)	(155)
Gain on disposals of plant and equipment	(38)	(115)
Gain on disposal of right-of-use assets	(1)	0
Write off:		
- property, plant and equipment	2	9
- inventories	5	602
- trade receivable	1,684	0
Interest income	(3,962)	(5,126)
Finance costs	1,023	301
Share of results of an associate	(3,061)	(5,011)
Share of results of a joint venture	(743)	(749)
Fair value gain on financial assets at FVTPL	(795)	(721)
Loss on liquidation of a subsidiary	0	1,363
Tax expense	24,924	26,222
Unrealised net foreign exchange (gain)/loss	(604)	5,182
Net fair value loss/(gain) on forward foreign currency exchange contracts	1,350	(7,010)
Operating profit before working capital changes	115,193	113,603
Changes in working capital		
Inventories	20,375	(6,627)
Trade receivables	20,096	30,448
Contract assets	(32,406)	(61,134)
Other receivables, deposits and prepayments	(16,424)	(2,623)
Trade payables	8,037	(10,491)
Contract liabilities	20,934	(3,711)
Other payables and accruals	(6,481)	8,281
Cash generated from operations	129,324	67,746
Tax paid	(28,309)	(21,491)
Tax refunded	39	1
Interest paid	(922)	(286)
Net cash generated from operating activities	**100,132**	**45,970**

* Inclusive of right-of-use assets.

DELEUM BERHAD
200501033500 (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	YEAR TO DATE ENDED	
RM'000	**30/09/2025**	**30/9/2024**
	Unaudited	**Unaudited**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,683	4,995
Purchase of plant and equipment	(22,534)	(27,844)
Purchase of intangible assets	(282)	0
Proceeds from disposals of plant and equipment	38	115
Amounts due (from)/to an associate	(11)	3,200
Amounts due to a joint venture	378	241
Dividends received from an associate	4,800	0
Purchase of financial assets at FVOCI	(337)	(5,349)
Purchase of financial assets at FVTPL	(126,100)	(108,924)
Proceeds from disposal of financial assets at FVTPL	44,819	0
Placement of deposits with licensed banks with maturity period over three (3) months	(4,762)	0
Uplift of deposits with licensed banks with maturity period over three (3) months	4,700	8,094
Increase in restricted cash	(923)	0
Acquisition of a subsidiary net of cash and cash equivalent	(21,093)	0
Net cash used in investing activities	**(118,624)**	**(125,472)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Term loans		
- drawn down	19,977	8,000
- repayments	(1,829)	0
Revolving credit		
- drawn down	7,300	8,000
- repayments	(9,300)	(3,000)
Lease liabilities on right-of-use assets		
- repayments	(2,245)	(1,340)
Dividends paid to:		
- shareholders	(37,344)	(30,920)
- non-controlling interest	(11,676)	(7,542)
Increase in restricted cash	0	(1,240)
Amounts due to a related party	1,512	0
Net cash used in financing activities	**(33,605)**	**(28,042)**
Net decrease in cash and cash equivalents	(52,097)	(107,544)
Foreign currency translation	(516)	(701)
Cash and cash equivalents at beginning of the year	188,452	198,244
Cash and cash equivalents at end of period	**135,839**	**89,999**
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Deposits with licensed banks	138,320	92,202
Cash and bank balances	11,841	8,578
	150,161	100,780
Restricted cash	(5,737)	(4,594)
Fixed deposits with maturity period over three (3) months	(8,585)	(6,187)
Cash and cash equivalents at end of period	135,839	89,999
Fixed deposit with maturity period over three (3) months represented by:		
Non-current	0	3,853
Current	8,585	2,334
	8,585	6,187
The currency profile of cash and cash equivalents is as follows:		
Ringgit Malaysia	129,640	88,302
US Dollar ("USD")	5,150	1,289
Indonesian Rupiah ("IDR")	783	0
Others	266	408
	135,839	89,999

The above consolidated statement 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 attached to the interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ("MFRS") No.134 – "Interim Financial Reporting", paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia, where applicable.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the attached explanatory notes. These explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

The significant accounting policies and methods of computation applied in the unaudited interim financial report are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2024.

During the financial year, the Company have adopted the following revised MFRSs and Amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB"):

Effective for financial year beginning on or after 1 January 2025:

• Amendments to MFRS 121 The Effect of Changes in Foreign Exchange Rates	Lack of Exchangeability

The adoption of the above amendments to published standards did not have any material impact to the Group financial results for the financial year ending 31 December 2025 upon their initial application.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A1. BASIS OF PREPARATION (Cont'd)

The Group has not early adopted the following amendments to published standards that have been issued by the Malaysian Accounting Standards Board ("MASB"):

Effective for financial year beginning on or after 1 January 2026:

• Amendments to the MFRS 9 and 7 Financial Instruments	Amendments to Classification and Measurement of Financial Instruments
• Amendments to the MFRS 9 and 7 Financial Instruments	Contracts Referencing Nature-dependent Electricity
• Annual Improvements to MFRS Accounting Standards - Volume 11	

Effective for financial year beginning on or after 1 January 2027:

- MFRS 18 Presentation and Disclosure in Financial Statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures

The effective date has been deferred to a date to be determined by Malaysian Accounting Standards Board ("MASB"):

• Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date is deferred to a date to be determined by MASB)

The initial application of the above-mentioned amendments to published standards are not expected to have any material impact to the financial statements of the Group.

A2. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's operations are not affected by any significant seasonal or cyclical factors in the financial year under review other than as disclosed in this unaudited interim financial report. It should be noted that the Group operates predominantly in the oil and gas sector in Malaysia. Accordingly, the level of the Group's business activities is closely correlated with that of the oil and gas operators and contractors in Malaysia. Any significant change in their level of activities will likewise have an impact on the Group.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

A4. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no material changes to estimates that have had any material effect on the current financial year-to-date results.

A5. EQUITY AND DEBT SECURITIES

The Group did not undertake any other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial year-to-date.

A6. FINANCIAL RISK MANAGEMENT POLICIES

The Group's activities expose it to a variety of financial risks, and these include market risk, credit risk and liquidity risk. To mitigate these risks, the Group operates within defined policies and guidelines as approved by the Board.

The information on the forward foreign currency exchange contracts that remained outstanding at 30 September 2025 is set out in Note A7.

The carrying amounts of monetary assets and monetary liabilities denominated in currencies other than Ringgit Malaysia were as follows:

	As at 30/09/2025		As at 31/12/2024	
	Assets RM'000	**Liabilities RM'000**	**Assets RM'000**	**Liabilities RM'000**
USD	101,803	149,083	150,069	134,460
IDR	14,154	8,075	0	0
Others	6,222	600	2,751	590
	122,179	157,758	152,820	135,050
Closing exchange rate				
USD	4.215	4.215	4.470	4.470
IDR1,000/RM	0.252	0.252	0.277	0.277

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7. OUTSTANDING DERIVATIVES

Forward foreign currency exchange contracts

Forward foreign currency exchange contracts are used to manage foreign currency exposures arising from the Group's obligation to settle its liabilities and contractual right to receive payments that are denominated in currencies other than the functional currency of the Group. The forward foreign currency exchange contracts entered into by the Group has a maturity period of less than one year from the current reporting date. As at 30 September 2025, the net notional principal amount of the outstanding buy and sell forward foreign currency exchange contracts were RM78,510,000 (31 December 2024: RM14,917,000).

	As at 30/09/2025		As at 31/12/2024	
	Net Notional Amount RM'000	Net Fair Value Assets RM'000	Net Notional Amount RM'000	Net Fair Value Assets RM'000
Type of derivatives				
Forward foreign currency exchange contracts ("FX Contract")				
- Less than 1 year	47,821	64	14,917	100

	As at 30/09/2025		As at 31/12/2024	
	Net Notional Amount RM'000	Net Fair Value Liabilities RM'000	Net Notional Amount RM'000	Net Fair Value Liabilities RM'000
Type of derivatives				
Forward foreign currency exchange contracts ("FX Contract")				
- Less than 1 year	30,689	(91)	0	0

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A8. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES AND FINANCIAL ASSETS

The fair value of forward foreign currency exchange contracts is determined by using the forward foreign currency exchange rates as at each reporting date.

During the financial year-to-date, the fair value changes arising from the forward foreign currency exchange contract entered into by the Group and remained outstanding as at 30 September 2025 amounted to a fair value loss of RM27,000 (31 December 2024: fair value gain of RM100,000).

A9. DIVIDENDS PAID

During the first quarter under review, the Company paid the following second interim single tier dividend of 5.30 sen per share on 401,553,500 ordinary shares in respect of the financial year ended 31 December 2024.

	RM'000
Second interim single tier dividend of 5.30 sen per share on 401,553,500 ordinary shares, paid on 28 March 2025	21,282

During the current quarter under review, the Company paid the following first interim single tier dividend of 4.00 sen per share on 401,553,500 ordinary shares in respect of the financial year ending 31 December 2025.

	RM'000
First interim single tier dividend of 4.00 sen per share on 401,553,500 ordinary shares, paid on 30 September 2025	16,062

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A10. SEGMENT INFORMATION

The segments of the Group are as follows:

- Power and Machinery ("P&M") – Mainly consists of:
  - Sale of gas turbines and related parts, and overhaul of turbines, maintenance and technical services, including complete installation turnkey for new installations, package renewal and retrofit;
  - Supply and commission of combined heat and power plants; and
  - Supply, install, repair and maintenance of valves, flow regulators and other production related equipment.

- Oilfield Integrated Services ("OIS") – Mainly consists of:
  - Provision of slickline equipment and services;
  - Provision of integrated wellhead maintenance services;
  - Provision of well intervention and cased hole logging services;
  - Provision of specialty chemicals and well stimulation services;
  - Provision of solid control services;
  - Provision of drilling and completion services;
  - Provision of gas lift valve and insert strings equipment, accessories and services;
  - Provision of subsurface engineering services; and
  - Provision of integrated corrosion and inspection services, blasting technology, maintenance, construction and modification maintenance activities, services for tanks, vessels, structures and piping.

- Other non-reportable segment comprises management fees charged to a joint venture which does not meet the quantitative threshold for a reporting segment in 2025.

Segmental information for the financial year ended 30 September 2025 was as follows:

	Individual quarter ended		**Cumulative quarters ended**	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
<u>Segment Revenue</u>				
External revenue				
Power and Machinery	213,297	218,650	510,421	524,771
Oilfield Integrated Services	64,536	50,383	183,303	131,279
Other non-reportable segment	233	185	641	492
Total Group revenue	**278,066**	**269,218**	**694,365**	**656,542**

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A10. SEGMENT INFORMATION (Cont'd)

	Individual quarter ended		Cumulative quarters ended	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Segment Results				
Power and Machinery	37,691	44,912	94,108	97,341
Oilfield Integrated Services	2,051	5,458	13,582	8,959
Other non-reportable segment	28	24	65	52
Segment results	39,770	50,394	107,755	106,352
Unallocated income ^	66	567	174	819
Unallocated corporate expenses #	(4,032)	(4,268)	(10,499)	(9,567)
Share of results of a joint venture *	243	239	743	749
Share of results of an associate *	644	1,628	3,061	5,011
Tax expense (Note B5) *	(7,773)	(11,892)	(24,924)	(26,222)
Profit for the period	28,918	36,668	76,310	77,142

^ Unallocated income comprised mainly interest income earned by the Group.

Unallocated corporate expenses represented the Group's corporate expenses including depreciation of property, plant and equipment of corporate assets and other common corporate overhead costs that are not charged to business segments.

* Tax expense, results of joint venture and associate are not allocated to the business segments as they are measured at the entity level.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A10. SEGMENT INFORMATION (Cont'd)

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Segment Assets		
Power and Machinery	449,998	422,350
Oilfield Integrated Services	246,575	211,224
Segment assets	696,573	633,574
Unallocated corporate assets ^	119,209	99,398
Total assets	815,782	732,972

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Segment Liabilities		
Power and Machinery	182,729	154,956
Oilfield Integrated Services	53,516	46,966
Segment liabilities	236,245	201,922
Unallocated corporate liabilities #	52,920	32,905
Total liabilities	289,165	234,827

^ Unallocated corporate assets represent the Group's corporate assets including property, plant and equipment, investment properties, intangible assets, investment in joint venture and associate, deferred tax assets and tax recoverable that are not allocated by business segments.

Unallocated corporate liabilities represent the Group's corporate liabilities including deferred tax liabilities, taxation and dividend payable that are not allocated by business segments.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A11. REVENUE

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Revenue from contracts with customers:				
- Goods and services	277,257	269,033	691,991	656,050
- Management fee	225	177	633	484
Revenue from other source:				
- Dividend income	8	8	8	8
- Rental income (Overseas)	576	0	1,733	0
	278,066	269,218	694,365	656,542

Revenue from contracts with customers:

<u>Type of goods and services</u>

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Sale of gas turbine packages and after sales support and services	159,963	158,523	347,018	389,200
Commission based income services	0	456	(3)	4,190
Principal based income services	8,511	8,954	18,830	24,318
Sale of valves and flow regulators and after sales support and services	44,950	51,009	144,897	107,395
Provision of slickline equipment and services, well intervention, asset integrated solution services, cased hole logging services, gas lift valve services, drilling and production services	31,456	36,148	96,696	105,361
Provision of specialty chemical and well stimulation services	4,234	3,162	9,913	6,575
Provision of solid control services	4,021	2,007	10,912	9,464
Provision of integrated corrosion and inspection services, blasting technology and maintenance services	0	26	81	693
Provision of maintenance, construction and modification services	24,122	8,748	63,647	8,854
	277,257	269,033	691,991	656,050

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A12. ACQUISITIONS OF PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the current quarter and cumulative quarters ended 30 September 2025, the acquisitions of plant and equipment and intangible assets by the Group were as follows:

	Individual quarter ended		**Cumulative quarters ended**	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Acquisitions at cost:				
- Plant and equipment*	5,684	19,682	30,927	27,234

***** Included in the acquisition of plant and equipment is the capitalisation on the advance payment made in prior year of RM5,668,000 as plant and equipment upon fulfilment of the recognition criteria during the period and addition of right-of-use assets of RM8,598,000 (31 December 2024: RM1,524,000).

A13. MATERIAL EVENTS DURING THE REPORTING DATE

There were no other material events during the reporting date other than as disclosed in Note B14.

A14. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING DATE

There were no material events after the end of the reporting date.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A15. CHANGES IN THE COMPOSITION OF THE GROUP

On 3 June 2025, Deleum Services Sdn. Bhd. ("DSSB"), a wholly-owned subsidiary of the Company, completed the acquisition of a 70% equity interest in PT OSA Industries Indonesia ("OSAII") in Indonesia, for a purchase consideration of USD6.4 million (RM27.4 million), subject to finalisation of the completion accounts. Following the acquisition, OSAII became a 70%-owned subsidiary of DSSB, which is in turn wholly owned by the Company.

Goodwill is attributable to OSAII's market position and potential growth in Indonesia's P&M business and anticipated synergies between OSAII and DSSB with an expectation to strengthen Deleum Group's financial performance and enhance shareholders' value.

Details of the net cash outflow arising from the acquisition are as follows:

	RM'000
Fair value of net assets acquired	3,404
Goodwill (provisional)	27,073
Purchase consideration	30,477
Less: earnest deposit	(3,125)
Less: balance consideration payable	(5,496)
Less: cash and cash equivalents of a subsidiary acquired	(763)
Net cash outflow on acquisition	21,093

The fair value of net assets and goodwill in the above acquisition are provisional and will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

Save as disclosed above, there were no other changes in the composition of the Group during the financial period ended 30 September 2025.

A16. CONTINGENT LIABILITIES/ASSETS

As at 30 September 2025, the Group did not have any contingent liabilities or assets except for guarantees given to third parties in relation to operating requirements, utilities and maintenance contracts of RM57.1 million (31 December 2024: RM56.3 million).

A17. COMMITMENTS

Capital commitment

Capital commitments for property, plant and equipment and intangible assets not provided for as at 30 September 2025 were as follows:

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Authorised but not contracted for		
- Plant and machinery	14,293	49,592
- Others	3,489	6,618
Authorised and contracted for		
- Plant and machinery	38,415	5,616
- Others	361	444
	56,558	62,270
Share of capital commitment of joint venture	374	891
	56,932	63,161

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A18. RELATED PARTY DISCLOSURES

(a) The following transactions were with a corporate shareholder and affiliated companies of corporate shareholder of a subsidiary of the Group, Turboservices Sdn. Bhd.:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Manpower services to Solar Turbines International Company ("STICO") and its affiliated companies	302	474	187	2,445
Rental income from an affiliate company of STICO	11	14	43	41
Purchases and technical services from STICO and its affiliated companies	136,948	109,785	266,917	304,547

Significant outstanding balances arising from the above transactions as at 30 September 2025 were as follows:

	As at 30/09/2025 RM'000	**As at 31/12/2024 RM'000**
Amount due from STICO and its affiliated companies	346	2,592
Amount due to STICO and its affiliated companies	115,667	112,567

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A18. RELATED PARTY TRANSACTIONS (Cont'd)

(b) The following transactions were with a corporate shareholder and affiliated companies of corporate shareholder of a subsidiary of the Group, Penaga Dresser Sdn. Bhd.:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Sales to related parties of Dresser Italia S.R.L	144	3	333	81
Purchases of goods and services from related parties of Dresser Italia S.R.L	10,512	15,374	38,149	37,507

Significant outstanding balances arising from the above transactions as at 30 September 2025 were as follows:

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Amount due from related parties of Dresser Italia S.R.L	170	41
Amount due to related parties of Dresser Italia S.R.L	8,764	11,089

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A18. RELATED PARTY TRANSACTIONS (Cont'd)

(c) Turboservices Overhaul Sdn. Bhd. ("TOSB") is a joint venture between Deleum Berhad and STICO and the related party transactions during the year were as follows:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Sales to STICO	875	875	2,625	2,625
Rental income from affiliate company of STICO	142	141	424	422

Outstanding balance arising from the above transactions as at 30 September 2025 was as follows:

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Amount due from STICO and its affiliated company	315	152
Amount due to STICO and its affiliated company	35	25

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A18. RELATED PARTY TRANSACTIONS (Cont'd)

(d) The following transactions were with an affiliated company of a principal shareholder of a subsidiary of the Group, OSAII.:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Sales to PT Osa Megah Indonesia ("MI")	7,204	0	7,597	0
Advances from MI	3,215	0	4,138	0
Interest expenses charged by MI	91	0	91	0
Repayment of advances to MI	2,596	0	2,596	0

Significant outstanding balances arising from the above transactions as at 30 September 2025 were as follows:

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Amount due from MI	5,401	0
Amount due to MI	5,922	0

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A18. RELATED PARTY TRANSACTIONS (Cont'd)

(e) The remuneration of the key management personnel during the quarter and year-to-date were as follows:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Directors' fees	128	128	384	384
Salaries, bonuses, allowances and other staff related expenses	4,225	3,648	14,875	11,084
Defined contribution plan	479	393	1,704	1,264
	4,832	4,169	16,963	12,732

(f) The provision of general and financial advisory services by a non-independent director was as follows:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Provision for general and financial advisory services	53	55	167	166

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

B1. PERFORMANCE REVIEW

(A) Performance of the current quarter against the corresponding quarter

	Q3'25 RM'000	Q3'24 RM'000	Variance RM'000	Variance %
Group				
Revenue	278,066	269,218	8,848	3.3
Operating profit	36,405	46,856	(10,451)	(22.3)
Share of results of a joint venture, net of tax	243	239	4	1.7
Share of results of an associate, net of tax	644	1,628	(984)	(60.4)
Profit before interest and tax	35,846	47,162	(11,316)	(24.0)
Profit before tax	36,691	48,560	(11,869)	(24.4)
Profit for the period	28,918	36,668	(7,750)	(21.1)
Profit attributable to equity holders of the Company	22,088	25,069	(2,981)	(11.9)

The Group reported an increase in revenue by RM8.8 million or 3.3% to RM278.1 million against the previous corresponding quarter of RM269.2 million. The increase was due to higher revenue generated from the OIS segment but offset by lower revenue generated from the P&M segment.

The Group’s profit attributable to equity holders of the Company decreased to RM22.1 million against the previous corresponding quarter of RM25.1 million, with lower operating results achieved in both the P&M and OIS segments. The lower results were mainly due to lower revenue reported in the P&M segment and bad debt written off of RM1.7 million in the OIS segment but mitigated by higher gross profit achieved in the OIS segment, net foreign exchange gain of RM0.5 million (Q3’24: net loss of RM3.3 million) and fair value gain on forward foreign currency exchange contracts of RM0.2 million (Q3’24: fair value gain of RM6.3 million).

Higher share of results of a joint venture was reported following higher gross profit margin achieved in the overhaul and repairs of gas turbines business.

Share of results from an associate decreased by RM1.0 million mainly due to the lower throughput achieved from both its liquid mud and dry bulk businesses.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1. PERFORMANCE REVIEW (Cont'd)

(A) Performance of the current quarter against the corresponding quarter (Cont'd)

	Q3'25 RM'000	Q3'24 RM'000	Variance RM'000	Variance %
Power and Machinery				
Revenue	213,297	218,650	(5,353)	(2.4)
Operating profit	37,797	44,927	(7,130)	(15.9)
Profit before interest and tax	36,571	43,539	(6,968)	(16.0)
Profit before tax	37,691	44,912	(7,221)	(16.1)

The P&M segment posted a decrease in revenue by RM5.4 million or 2.4% to RM213.3 million against previous corresponding quarter of RM218.7 million. The decrease was mainly attributable to lower sales reported in its control and safety valves and flow regulator services, sales of turbines parts and repairs and retrofit businesses but mitigated by higher revenue from sales of exchange engines, third party sales, field service representative call out activities and revenue contribution from OSAII of RM14.3 million following the completion of its acquisition in previous quarter.

The segment reported a decrease in profit by RM7.2 million or 16.1% to RM37.7 million in tandem with lower revenue reported during the quarter mitigated by net foreign exchange gain of RM0.2 million (Q3'24: net loss of RM3.2 million) and fair value gain on forward foreign currency exchange contracts of RM0.2 million (Q3'24: fair value gain of RM6.3 million) recorded in the current quarter.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1. PERFORMANCE REVIEW (Cont'd)

(A) Performance of the current quarter against the corresponding quarter (Cont'd)

	Q3'25 RM'000	Q3'24 RM'000	Variance RM'000	Variance %
Oilfield Integrated Services				
Revenue	64,536	50,383	14,153	28.1
Operating profit	2,343	5,606	(3,263)	(58.2)
Profit before interest and tax	2,190	5,526	(3,336)	(60.4)
Profit before tax	2,051	5,458	(3,407)	(62.4)

The OIS segment reported an increase in revenue by RM14.2 million or 28.1% to RM64.5 million as compared to the previous corresponding quarter of RM50.4 million. This was primarily due to higher business activities from the Maintenance, Construction and Modification ("MCM") projects, specialty chemicals and well stimulation activities as well as slickline services from both East Malaysia and West Malaysia. This was however reduced by lower revenue from asset integrated solution services from both East Malaysia and West Malaysia.

Despite higher gross profit recorded in tandem with higher revenue achieved, the segment's profit decreased by RM3.4 million or 62.4% attributable to a bad debt written off of RM1.7 million and higher other operating expenses incurred during the quarter.

B1. PERFORMANCE REVIEW (Cont'd)

(B) Performance of the current year-to-date quarter against the corresponding year-to-date

	Cumulative quarters ended			
	Q3'25 RM'000	**Q3'24 RM'000**	**Variance RM'000**	**Variance %**
Group				
Revenue	694,365	656,542	37,823	5.8
Operating profit	98,453	97,905	548	0.6
Share of results of a joint venture, net of tax	743	749	(6)	(0.8)
Share of results of an associate, net of tax	3,061	5,011	(1,950)	(38.9)
Profit before interest and tax	98,295	98,539	(244)	(0.2)
Profit before tax	101,234	103,364	(2,130)	(2.1)
Profit for the year	76,310	77,142	(832)	(1.1)
Profit attributable to equity holders of the Company	54,081	56,692	(2,611)	(4.6)

The Group's revenue increased by RM37.8 million or 5.8% to RM694.4 million against the previous corresponding period of RM656.5 million as a result of stronger revenue contribution from the OIS segment but offset by lower revenue contribution from the P&M segment.

The Group's profit attributable to equity holders of the Company decreased by RM2.6 million or 4.6% to RM54.1 million against the previous corresponding cumulative quarters of RM56.7 million. The lower results were mainly due to lower gross profit achieved in the P&M segment, bad debt written off of RM1.7 million in the OIS segment and fair value loss on forward foreign currency exchange contracts of RM1.4 million (Q3'24: fair value gain of RM7.0 million) but mitigated by net foreign exchange gain of RM0.4 million (Q3'24: net loss of RM1.7 million).

The lower share of results of a joint venture was due to higher operating expenses incurred during the current cumulative quarters.

Lower share of results from an associate reported in the cumulative quarters was mainly attributable to the lower throughput achieved from both its liquid mud and dry bulk businesses.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1. PERFORMANCE REVIEW (Cont'd)

(B) Performance of the current year-to-date quarter against the corresponding year-to-date (Cont'd)

	Cumulative quarters ended			
	Q3'25 RM'000	Q3'24 RM'000	Variance RM'000	Variance %
Power and Machinery				
Revenue	510,421	524,771	(14,350)	(2.7)
Operating profit	94,249	97,393	(3,144)	(3.2)
Profit before interest and tax	90,848	92,809	(1,961)	(2.1)
Profit before tax	94,108	97,341	(3,233)	(3.3)

The P&M segment reported a total year-to-date revenue of RM510.4 million, lower by RM14.4 million as compared to the previous corresponding period of RM524.8 million. This was mainly due to lower contribution from sales of turbine parts and repairs, retrofit projects, sale of exchange engines and commission income from both mechanical and processes business and gas turbines sales but mitigated by higher activities from control and safety valves and flow regulator services, call out field service representatives' activities, third party sales and revenue contribution from OSAII of RM15.4 million following the completion of its acquisition in previous quarter.

The segment reported a lower profit mainly due to lower gross profit achieved in the current cumulative quarters, net foreign exchange loss of RM0.2 million (Q3'24: net loss of RM1.5 million) and fair value loss on forward foreign currency exchange contracts of RM1.4 million (Q3'24: fair value gain of RM7.0 million).

B1. PERFORMANCE REVIEW (Cont'd)

(B) Performance of the current year-to-date quarter against the corresponding year-to-date (Cont'd)

	Cumulative quarters ended			
	Q3'25 RM'000	Q3'24 RM'000	Variance RM'000	Variance %
Oilfield Integrated Services				
Revenue	183,303	131,279	52,024	39.6
Operating profit	14,261	9,208	5,053	54.9
Profit before interest and tax	13,870	8,957	4,913	54.9
Profit before tax	13,582	8,959	4,623	51.6

The OIS segment revenue recorded an increase of RM52.0 million or 39.6% to RM183.3 million as compared to the previous corresponding period of RM131.3 million. This was primarily due to higher business activities from the MCM projects, specialty chemicals and well stimulation activities, slickline services from both East Malaysia and West Malaysia but offset by lower revenue from asset integrated solution services in both East Malaysia and West Malaysia.

The segment reported an increase in profit by RM4.6 million against the previous corresponding period profit of RM9.0 million due to higher gross profit achieved in the current cumulative quarter in tandem with higher revenue recorded and net foreign exchange gain of RM0.6 million (Q3'24: net loss of RM0.2 million) but offset by bad debt written off of RM1.7 million.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1. PERFORMANCE REVIEW (Cont'd)

(C) Consolidated Statement of Financial Position

The Group's total assets as at 30 September 2025 stood at RM815.8 million against RM733.0 million at the end of the previous financial year, representing an increase of RM82.8 million or 11.3%.

This was mainly attributable to higher contract assets by RM31.6 million upon the completion of projects towards the end of the financial period, recognition of a provisional goodwill arising from the acquisition of OSAII of RM27.1 million and an increase in total other receivables balances by RM15.1 million. The provisional goodwill shall be finalised within 12 months as allowed under the MFRS pending finalisation of the purchase price allocation ("PPA").

The Group's total liabilities increased by RM54.3 million mainly due to an increase in total borrowings by RM22.5 million, higher contract liabilities by RM20.9 million, higher trade payables balance by RM8.7 million and movement in total other payables by RM5.0 million.

(D) Consolidated Statement of Cash Flows

The Group's cash and bank balances were lower at RM150.2 million as compared to RM199.3 million as at 31 December 2024, predominantly due to placement of funds in investment securities which is represented as short term financial assets at FVTPL totalling RM83.1 million as at period end. The overall Group's liquidity of RM233.3 million in the form of cash and investment securities balances were higher by RM34.0 million as compared to end of previous financial year due to positive cash inflow generated from operating activities.

The Group generated a positive cash flow of RM100.1 million from operating activities primarily attributable to higher contract liabilities with upfront payments received from customers, inventories realisation and collections received from trade receivables. The inflow was reduced by higher contract assets due to higher unbilled revenue, higher other receivables balance comprising of prepaid and deferred costs as well as tax paid during the quarter.

In the Group's investing activities, the cash outflows were attributable to net of placement and disposal of financial assets at FVTPL of RM81.3 million, consideration paid for acquisition of a new subsidiary (net of cash and cash equivalent), OSAII of RM21.1 million and purchase of plant and equipment of RM22.5 million. However, the cash outflows were mitigated by dividend received from an associate of RM4.8 million and interest received of RM2.7 million during the financial period.

The net outflow in the Group's financing activities was mainly due to total dividend payments made to its shareholders and non-controlling interests of RM49.0 million but mitigated by net movement of RM16.1 million from the drawdown and repayment of its term loans and revolving credits during the financial period under review.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B2. MATERIAL CHANGE IN THE CURRENT QUARTER PERFORMANCE AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER PERFORMANCE

	Q3'25 RM'000	Q2'25 RM'000	Variance RM'000	Variance %
Group				
Revenue	278,066	236,878	41,188	17.4
Operating profit	36,405	34,770	1,635	4.7
Share of results of a joint venture, net of tax	243	251	(8)	(3.2)
Share of results of an associate, net of tax	644	1,443	(799)	(55.4)
Profit before interest and tax	35,846	35,168	678	1.9
Profit before tax	36,691	36,259	432	1.2
Profit for the period	28,918	26,886	2,032	7.6
Profit attributable to equity holders of the Company	22,088	19,588	2,500	12.8

The Group's profit attributable to equity holders of the Company increased by RM2.5 million or 12.8% as compared to the immediate preceding quarter mainly due to higher gross profit achieved in the P&M segment, net foreign exchange gain of RM0.5 million (Q2'25: net loss of RM1.1 million) and fair value gain on forward foreign currency exchange contracts of RM0.2 million (Q2'25: fair value loss of RM0.7 million). However, the increase was offset by lower gross profit achieved and bad debt written off of RM1.7 million in the OIS segment.

Share of results of a joint venture was lower due to higher operating expenses incurred during the current quarter.

Share of results of an associate was lower against the immediate preceding quarter due to lower throughput achieved from its liquid mud and dry bulk businesses.

B2. MATERIAL CHANGE IN THE CURRENT QUARTER PERFORMANCE AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER PERFORMANCE (Cont'd)

	Q3'25 RM'000	Q2'25 RM'000	Variance RM'000	Variance %
Power and Machinery				
Revenue	213,297	164,473	48,824	29.7
Operating profit	37,797	27,957	9,840	35.2
Profit before interest and tax	36,571	26,848	9,723	36.2
Profit before tax	37,691	27,938	9,753	34.9

The P&M segment reported higher revenue of RM213.3 million as compared to the immediate preceding quarter of RM164.5 million. This was mainly due to higher activities from sale of exchange engines, sales of turbine parts and repairs, call out field service representatives' activities and third party sales but offset by lower activities from retrofit projects and safety valves and flow regulator services.

The segment reported a higher profit mainly attributable to a higher gross profit achieved in the current quarter, net foreign exchange gain of RM0.2 million (Q2'25: net loss of RM0.6 million) and fair value gain on forward foreign currency exchange contracts of RM0.2 million (Q2'25: fair value loss of RM0.7 million).

	Q3'25 RM'000	Q2'25 RM'000	Variance RM'000	Variance %
Oilfield Integrated Services				
Revenue	64,536	72,200	(7,664)	(10.6)
Operating profit	2,343	9,791	(7,448)	(76.1)
Profit before interest and tax	2,190	9,641	(7,451)	(77.3)
Profit before tax	2,051	9,605	(7,554)	(78.6)

The OIS segment reported a lower revenue by RM7.7 million or 10.6% to RM64.5 million against the immediate preceding quarter of RM72.2 million due to lower activities from the MCM projects, asset integrated solutions in both East Malaysia and West Malaysia as well as safety valve maintenance. This was mitigated by higher activities from specialty chemicals and well stimulation and slickline services in both East Malaysia and West Malaysia.

The segment reported a lower profit of RM2.1 million against the immediate preceding quarter profit of RM9.6 million which was mainly due to lower gross profit achieved in the current quarter and bad debt written off of RM1.7 million but mitigated by net foreign exchange gain of RM0.3 million (Q2'25: net loss of RM0.5 million) in the current quarter.

B3. PROSPECTS

Deleum's prospects remain positive, supported by a better-than-expected performance and continued resilience amid prevailing industry challenges. This reflects the Group's strong operational strength and its ability to navigate market uncertainties effectively.

The Group's current orderbook of approximately RM1.5 billion will be progressively executed over the next 5 years for its major O&G clientele, supporting a positive financial outlook. In addition, revenue contributions from PT OSA Industries Indonesia have gained momentum, recording RM14.3 million in 3Q25, further strengthening the Group's regional growth trajectory.

Looking ahead, Deleum will continue to focus on execution, cost efficiency, and strengthening its regional presence to drive sustainable performance.

B4. PROFIT FORECAST

The Group has not issued any profit forecast for the current financial year and therefore no comparison is available.

B5. INCOME TAX EXPENSE

	Individual quarter ended		**Cumulative quarters**	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Current tax:				
- Malaysia	9,277	14,356	24,988	28,496
- Foreign	916	0	1,042	0
(Over)/under provision in prior years				
- Malaysia	(1,233)	(243)	(946)	(243)
- Foreign	0	0	895	0
Deferred tax:				
- origination and reversal of temporary differences	(1,187)	(2,221)	(1,055)	(2,031)
Total income tax expense	**7,773**	**11,892**	**24,924**	**26,222**

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B5. INCOME TAX EXPENSE (Cont'd)

Including the joint venture's and associate's results which were presented net of tax, the effective tax rate of the Group for the financial period ended 30 September 2025 was higher than the headline tax rate as shown below.

	Cumulative quarters ended	
	30/09/2025	**30/09/2024**
	%	**%**
Numerical reconciliation between the effective tax rate and the Malaysian tax rate		
Malaysian tax rate	24	24
Tax effects of:		
- Expenses not deductible for tax purposes	2	3
- Income not subject to tax	0	(1)
- Share of results of associate and joint venture	(1)	(2)
- Deferred tax assets not recognised	0	1
- Under provision in prior years:		
- Malaysia	(1)	0
- Foreign	1	0
Effective tax rate	**25**	**25**

B6. PROFIT ON SALES OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments and/or properties during the financial year-to-date.

B7. QUOTED SECURITIES

There were no sales or purchases of quoted securities during the financial year-to-date.

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no corporate proposals announced which were not completed as of 13 November 2025 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this report) other than as set out below:

<u>Proposed acquisition of business and assets by Deleum Oilfield Solutions (Thailand) Co., Ltd. ("**DOST**") from MPC Future Co., Ltd. ("**MPC**")</u>

On 16 June 2025, the Company announced that DOST, an indirect subsidiary of the Company, entered into a Sale and Purchase Agreement ("**SPA**") with MPC, for the acquisition of the Target Business from MPC subject to the terms of the SPA (collectively, "**Proposed Transaction**"). The Proposed Transaction is for an aggregate consideration payable by DOST to MPC with a Thai Baht ("**THB**") value equivalent to RM60,000,000 ("**Purchase Consideration**") comprising of:

i. the issuance of newly issued and fully paid-up ordinary shares in the share capital of DOST valued at THB164,800,000 representing approximately 28.57% of DOST's total paid-up share capital pursuant to the Share Subscription Agreement ("**SSA**");

ii. the issuance of preference shares in DOST valued at THB114,000,000 representing approximately 19.76% of DOST's total paid-up share capital pursuant to the SSA ((i) and (ii) shall collectively be referred to as "**Share Consideration**"); and

iii. a cash payment in THB with a value equivalent to the aggregate consideration deducted by the Ringgit Malaysia-equivalent of the Share Consideration ("**Cash Consideration**").

However, the Company on 18 September 2025 announced that DOST has terminated the SPA due to non-fulfillment of the following key conditions precedent in the SPA ("**CPs**") on or before the 90th date following the date of the SPA ("**Long-Stop Date**"), which occurred on 17 September 2025:

i. MPC, DOST and the relevant contract parties in respect of each contract contemplated under the SPA having executed a novation agreement;

ii. each of MPC's financiers for the relevant financing arrangements as specified in the SPA ("**RFA**") having provided their written acceptance and acknowledgement of the full and final settlement of all amounts outstanding under the respective RFAs and the full and irrevocable discharge of all relevant security interests over MPC's businesses and related assets which are to be procured by DOST under the SPA (collectively, "Target Business") so that they are free from all encumbrances under the respective RFAs; and

iii. each of MPC's relevant financiers for financing arrangements which are not relevant to the Target Business as set out in the SPA having provided their written consent to the acquisition of the Target Business.

With the termination of the SPA, the Proposed Transaction will therefore not be completed.

B9. JOINT VENTURE

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Group's share of net assets of joint venture	36,656	35,913

TOSB was a wholly owned subsidiary of the Group. It was incorporated in Malaysia and its main activities include the provision of gas turbine overhaul and maintenance services. In March 2015, the Group entered into a Subscription Agreement with STICO, which resulted in the Group having an equity interest of 80.55%. However, both parties' approval on relevant activities is required as stated in the Subscription Agreement. Based on MFRS and in the opinion of the Directors, TOSB is regarded as a material joint venture and its results and net assets are accounted for under the equity method of accounting.

The capital of TOSB consists of ordinary shares and redeemable convertible preference shares. It is a private company and there is no readily available quoted market price available for its shares.

Summarised statement of comprehensive income

	Individual quarter ended		Cumulative quarters ended	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Profit before tax	355	358	1,203	1,218
Income tax expense	(53)	(61)	(280)	(288)
Profit for the period	302	297	923	930
Interest in joint venture (80.55%)				
Share of results	243	239	743	749

B10. ASSOCIATE

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Group's share of net assets of associate	22,746	23,205

In the opinion of the Directors, Malaysian Mud and Chemicals Sdn. Bhd. ("2MC") is a material associate of the Group. The Group's effective equity interest in the associate, the nature of the relationship and place of business/country of incorporation are set out in the audited financial statements for the financial year ended 31 December 2024. The associate has share capital consisting solely of ordinary shares, which are held directly by the Group.

2MC is a private company and there is no quoted market price available for the shares.

Summarised statement of comprehensive income

	Individual quarter ended		Cumulative quarters ended	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Profit before tax	2,699	5,647	12,329	20,631
Income tax expense	(685)	(559)	(2,763)	(4,972)
Profit for the period	2,014	5,088	9,566	15,659
Interest in associate (32%)				
Share of results	644	1,628	3,061	5,011

B11. TRADE RECEIVABLES

	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Neither past due nor impaired	70,975	83,044
1 to 30 days past due not impaired	20,250	29,804
31 to 60 days past due not impaired	2,695	5,004
61 to 90 days past due not impaired	2,455	4,699
91 to 120 days past due not impaired	1,002	1,135
More than 121 days past due not impaired	8,561	2,077
	105,938	125,763
Past due and impaired:		
1 to 30 days past due and impaired	91	0
More than 121 days past due and impaired	1,051	474
	107,080	126,237
Less: Impairment of receivables	(1,142)	(474)
	105,938	125,763

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are debtors with good payment history. None of the Group's trade receivables that are neither past due nor impaired have been re-negotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM35.0 million (31 December 2024: RM42.7 million) that are past due at the reporting date but not impaired. The receivable balances are unsecured in nature. These balances relate mainly to customers who have good payment history.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B12. GROUP BORROWINGS

The Group borrowings as at 30 September 2025 were as follows:

		Short Term RM'000	Long Term RM'000	Total RM'000
30/9/2025				
Borrowings	- secured	10,316	18,832	29,148
	- unsecured	2,621	5,813	8,434
		12,937	24,645	37,582
31/12/2024				
Borrowings	- secured	6,176	6,824	13,000
	- unsecured	1,167	945	2,112
		7,343	7,769	15,112

The borrowings are all denominated in Ringgit Malaysia.

	Note	As at 30/09/2025 RM'000	As at 31/12/2024 RM'000
Revolving credits	(i)	3,000	5,000
Term loans	(ii)	26,148	8,000
Lease liabilities on right-of-use assets	(iii)	8,434	2,112
		37,582	15,112
Less: Amount repayable within 12 months			
Revolving credits		(3,000)	(5,000)
Term loans		(7,316)	(1,176)
Lease liabilities on right-of-use assets		(2,621)	(1,167)
		(12,937)	(7,343)
		24,645	7,769

B12. GROUP BORROWINGS (Cont'd)

The increase in borrowings was due to draw down of term loans and addition in lease liabilities for right-of-use assets. The rates and tenure of the borrowings are as follows:

(i) Revolving credits are rolled over on a monthly basis at an average interest rate of 4.00% (0.85% per annum above the KLIBOR).

(ii) Term loans carry interest rates ranging from 3.90% to 4.25% per annum (0.90% per annum above the KLIBOR and 0.80% per annum above the COF). The tenure of the term loans is 5 years.

(iii) Lease liabilities on right-of-use assets carry interest rates ranging from 2.46% to 4.40% per annum.

B13. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no off-balance sheet financial instrument as at 30 September 2025 other than the outstanding derivatives on forward foreign currency exchange contracts as disclosed in Note A7.

B14. MATERIAL LITIGATION

Save as disclosed below, as at 13 November 2025, Deleum Group has not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant and our Board is not aware of any proceedings, pending or threatened, against Deleum Group or any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of Deleum Group.

The material litigation below relates to Deleum Technology Solutions Sdn. Bhd., a 86.67% owned indirect subsidiary of Deleum Group, and does not relate to Deleum Group and its other subsidiaries.

High Court of Kuala Lumpur (Civil Suit No. WA-22NCC-544-11/2020) brought by Deleum Technology Solutions Sdn. Bhd. ("DTSSB") ("Plaintiff") against Mazrin bin Ramli & 9 Others ("Defendants")

The Plaintiff commenced the above legal proceedings against the Defendants by way of a Writ of Summons dated 5 November 2020 for, *inter alia*, breaches of fiduciary duty, knowing receipt and dishonest assistance in relation to an alleged fraudulent scheme involving its employees, suppliers, contractors and employees of a client. The sum claimed by the Plaintiff in its Statement of Claim dated 5 November 2020 is RM19,876,389.87.

On 13 May 2024, the Plaintiff entered into a Settlement Agreement with Defendant Nos. 1 to 4, Defendant No. 8 and Defendant No. 10 (collectively referred to as "Parties").

On 15 July 2024, the Plaintiff has made an oral application to withdraw Suit 544 against Defendant No. 5 and Defendant No. 7, the last two defendants out of the 10 named defendants, with costs of RM75,000.00 awarded by the Court to each of the Defendant No. 5 and Defendant No.7 with an order for assessment of damages in relation to the previous Anton Pillar Order and Mareva injunction orders.

The hearing for the assessment of damages for Defendant No. 5 and Defendant No. 7 has been scheduled for 1st August 2025 but subsequently been postponed to 24 October 2025.

On 24 October 2025, the Court has informed that the hearing is again postponed to 3,4 and 5 February 2026.

B15. DIVIDEND

There was no dividend declared during the quarter under review for the financial year ending 31 December 2025.

B16. EARNINGS PER SHARE ("EPS")

The calculation of basic and diluted earnings per share for the reporting year was as follows:

	Individual quarter ended		Cumulative quarters	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Basic/Diluted earnings per share				
Profit attributable to equity holders of the Company (RM'000)				
- Continuing operations	22,088	25,069	54,081	56,692
Weighted average number of shares in issue ('000)	401,554	401,554	401,554	401,554
Basic/Diluted earnings per share (sen)				
- Continuing operations	5.50	6.24	13.47	14.12

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B17. PROFIT BEFORE TAX

The following items were charged/(credited) in arriving at profit before tax from operations:

	Individual quarter ended		Cumulative quarters ended	
	30/09/2025 RM'000	30/09/2024 RM'000	30/09/2025 RM'000	30/09/2024 RM'000
Inventories consumed and recognised as cost of sales	31,914	43,191	116,084	93,163
Purchase of products, parts and consumable	18,183	17,330	46,453	39,924
Costs of services purchased	134,908	113,160	275,876	286,702
Interest income	(1,446)	(1,561)	(3,962)	(5,126)
Other income including investment income	(165)	(277)	(287)	(740)
Accretion of income on other receivable	0	8	0	(52)
Interest expenses	601	163	1,023	301
Depreciation and amortisation	7,698	7,568	22,357	22,960
Write-back of impairment				
- Trade receivables	0	0	(292)	(1,053)
- Other receivables	(2)	0	(70)	(2)
Impairment for doubtful debts				
- Trade receivables	91	0	91	0
- Other receivables	0	2,449	0	2,461
Allowance for slow moving inventories	442	298	814	794
Write back of allowance for slow moving inventories	(923)	(1,861)	(2,315)	(3,412)
Fair value gain on financial assets at FVTPL	(235)	(381)	(795)	(721)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B17. PROFIT BEFORE TAX (Cont'd)

The following items were charged/(credited) in arriving at profit before tax from operations (Cont'd):

	Individual quarter ended		**Cumulative quarters ended**	
	30/09/2025 RM'000	**30/09/2024 RM'000**	**30/09/2025 RM'000**	**30/09/2024 RM'000**
Write off:				
- Inventories	0	183	5	602
- Trade receivable	1,684	0	1,684	0
- Plant and equipment	2	0	2	9
Amortisation of government grants	(9)	(9)	(27)	(27)
Gain on disposals of plant and equipment	(1)	(115)	(38)	(115)
Foreign exchange (gain)/loss				
- Realised	(304)	458	252	(3,461)
- Unrealised	(210)	2,862	(604)	5,182
Provision for liquidated damages	9	0	78	0
Write back of provision of liquidated damages	(289)	(58)	(1,542)	(155)
Fair value (gain)/loss on forward foreign currency exchange contracts	(152)	(6,347)	1,350	(7,010)
(Gain)/loss on liquidation of a subsidiary	0	(323)	0	1,363

Other than as disclosed in the unaudited condensed interim consolidated statement of comprehensive income and as disclosed above, there were no other impairment of assets and gain or loss on derivatives.

B18. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2024 was unqualified.

B19. AUTHORISATION OF ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated on 20 November 2025.

By order of the Board

Suliana Binti Rosli (MAICSA No. 7057610)
Mohd Shahid Bin Zainol Abidin (MAICSA No. 7069754)
Company Secretaries
Kuala Lumpur
20 November 2025