EPMB

EP MANUFACTURING BHD.

(Company No. 199601017765 (390116-T))
(Incorporated in Malaysia)

Condensed statements of profit or loss and other comprehensive income

for the financial year ended 31 December 2025 - (Unaudited)

	Individual Quarter		Cumulative Period	
	Current year quarter ended 31/12/2025 RM'000	Preceding year corresponding quarter ended 31/12/2024 RM'000	Current year-to-date 31/12/2025 RM'000	Preceding year-to-date 31/12/2024 RM'000
Revenue	**164,613**	**145,336**	**554,691**	**594,713**
Operating expenses	(150,809)	(133,833)	(518,505)	(557,422)
Depreciation and amortisation	(6,772)	(6,697)	(26,451)	(26,363)
Other income	4,049	5,327	11,453	14,237
Results from operating activities	11,081	10,133	21,188	25,165
Finance costs	(3,193)	(3,022)	(10,494)	(11,788)
Finance income	467	216	846	419
Net finance costs	(2,726)	(2,806)	(9,648)	(11,369)
Share of profit of equity-accounted joint venture, net of tax	564	252	1,484	2,193
Profit before tax	8,919	7,579	13,024	15,989
Taxation	(2,512)	1,062	(4,039)	1,420
Profit for the year	6,407	8,641	8,985	17,409
Total comprehensive income for the year	6,407	8,641	8,985	17,409
Profit attributable to :				
Owners of the Company	6,408	9,095	9,383	18,451
Non-controlling interests	(1)	(454)	(398)	(1,042)
Profit for the year	6,407	8,641	8,985	17,409
Total comprehensive income attributable to :				
Owners of the Company	6,408	9,095	9,383	18,451
Non-controlling interests	(1)	(454)	(398)	(1,042)
Total comprehensive income for the year	6,407	8,641	8,985	17,409
Earnings per ordinary share (sen):				
Basic	2.24	4.02	3.28	8.16
Diluted	-	-	-	-

These condensed consolidated statements 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.

EP MANUFACTURING BHD.

(Company No. 199601017765 (390116-T))
(Incorporated in Malaysia)

Condensed Consolidated Statements of Financial Position

as at 31 December 2025 - (Unaudited)

	31/12/2025 (Unaudited) RM'000	31/12/2024 (Audited) RM'000
Assets		
Property, plant and equipment	308,792	246,260
Right-of-use assets	13,752	9,307
Investment properties	14,417	14,417
Intangible assets	84,435	84,435
Investment in a joint venture	5,938	311
Inventories	54,877	54,857
Deferred tax assets	2,714	3,086
Total non-current assets	484,925	412,673
Inventories	65,098	51,196
Trade and other receivables	78,574	68,099
Contract assets	7,355	10,755
Current tax assets	2,063	2,316
Prepayments and other assets	22,706	17,763
Fixed deposits placed with licensed banks	300	3,122
Cash and cash equivalents	69,210	90,257
Total current assets	245,306	243,508
Total assets	730,231	656,181
Equity		
Share capital	258,185	258,185
Retained earnings	110,184	104,901
Equity attributable to owners of the Company	368,369	363,086
Non-controlling interests	(260)	(2,602)
Total equity	368,109	360,484
Liabilities		
Loans and borrowings	57,093	33,510
Lease liabilities	8,908	5,063
Deferred income	1,445	1,633
Deferred tax liabilities	1,232	787
Total non-current liabilities	68,678	40,993
Loans and borrowings	112,235	119,166
Lease liabilities	5,192	5,029
Deferred income	188	188
Contract liabilities	7,122	8,881
Current tax liabilities	713	316
Provision for warranties	454	247
Trade and other payables	167,540	120,877
Total current liabilities	293,444	254,704
Total liabilities	362,122	295,697
Total equity and liabilities	730,231	656,181
Net assets per share attributable to owners of the Company (RM)	1.29	1.59

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

EP MANUFACTURING BHD.
(Company No. 199601017765 (390116-T))
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025 - (Unaudited)

	<------- Attributable to equity holders of the Company ------>				
	Non Distributable	*Distributable*			
	Share Capital RM'000	**Retained Earnings RM'000**	**Total RM'000**	**Non-Controlling Interests RM'000**	**Total Equity RM'000**
At 1 January 2025	258,185	104,901	363,086	(2,602)	360,484
Profit for the year	-	9,383	9,383	(398)	8,985
Total comprehensive income for the year	-	9,383	9,383	(398)	8,985
Dividend paid to shareholders	-	(1,360)	(1,360)	-	(1,360)
Changes in ownership interests in a subsidiary	-	(2,740)	(2,740)	2,740	-
At 31 December 2025	258,185	110,184	368,369	(260)	368,109
At 1 January 2024	218,932	86,450	305,382	(1,560)	303,822
Profit for the year	-	18,451	18,451	(1,042)	17,409
Total comprehensive income for the year	-	18,451	18,451	(1,042)	17,409
Ordinary shares issued pursuant to Private Placement	39,651		39,651	-	39,651
Cost directly tied to issuing shares under private placement scheme	(398)		(398)		(398)
At 31 December 2024	258,185	104,901	363,086	(2,602)	360,484

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

EP MANUFACTURING BHD.

(Company No. 199601017765 (390116-T))
(Incorporated in Malaysia)

Condensed Consolidated Statements of Cash Flows

for the financial year ended 31 December 2025 - (Unaudited)

	12 months ended 31/12/2025 RM'000	12 months ended 31/12/2024 RM'000
Cash flows from operating activities		
Profit before tax	13,024	15,989
Adjustments for:		
Non-cash items	26,923	26,882
Non-operating items	8,470	10,921
Share of profit of equity-accounted joint venture, net of tax	(1,484)	(2,193)
Operating profit before changes in working capital	46,933	51,599
Changes in working capital:		
Inventories	(14,778)	9,147
Trade and other receivables, prepayments and other assets	(14,984)	1,108
Trade and other payables	47,510	18,697
Contract liabilities	(1,759)	2,421
Contract assets	3,400	21,259
Cash generated from operations	66,322	104,231
Interest paid	(1,226)	(205)
Tax paid	(2,572)	(4,235)
Warranties paid	(152)	(128)
Net cash from operating activities	62,372	99,663
Cash flows from investing activities		
Development costs	-	(5)
Acquisition of property, plant and equipment	(81,853)	(53,346)
Dividend received from a joint venture	957	2,633
Increase in investment in a joint venture	(5,100)	-
Decrease in fixed deposits with licensed banks	2,822	(167)
Interest received	846	419
Proceeds from disposal of property, plant and equipment	(1,578)	62
Net cash used in investing activities	(83,906)	(50,404)
Cash flows from financing activities		
Net drawdown/(repayment) of bankers' acceptances	560	(26,514)
Net drawdown/(repayment) of term loans	15,411	(8,360)
Interest paid	(9,268)	(11,583)
Payment of lease liabilities	(5,537)	(5,348)
Net drawdown/(repayment) of hire purchase	791	(232)
Dividend paid	(1,360)	-
Proceeds from issuance of shares pursuant to Private Placement	-	39,253
Net cash used in financing activities	597	(12,784)
Net (decrease)/increase in cash and cash equivalents	(20,937)	36,475
Cash and cash equivalents at beginning of the year	81,578	45,103
Cash and cash equivalents at end of the year	60,641	81,578

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

<u>Cash and cash equivalents in the statements of cash flows comprise the following:</u>

Short-term deposits	4,317	4,137
Cash and bank balances	64,893	86,120
Cash and cash equivalents in the statements of financial positions	69,210	90,257
Bank overdraft	(8,569)	(8,679)
Cash and cash equivalents in the statements of cash flows	60,641	81,578

A Notes to the Interim Financial Statements Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134

A1. Basis of preparation

These condensed consolidated interim financial statements for the fourth quarter ended 31 December 2025 are unaudited and have been prepared in accordance with MFRS 134: *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for a full annual financial statements.

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

The significant accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024 except for the adoption of the following MFRSs, interpretations and amendments to MFRSs:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

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

The initial application of the above accounting standards, interpretations and amendments did not have any material financial impact to the current period and prior period financial statements of the Group.

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

• Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
• Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Contracts Referencing Nature -dependent Electricity

A1. Basis of preparation (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (continued)

- Annual Improvements to MFRS Accounting Standards - Volume 11:
  - Amendments to MFRS 1 First-time Adoption of MFRS Accounting Standards
  - Amendments to MFRS 7 Financial Instruments: Disclosures
  - Amendments to MFRS 9 Financial Instruments
  - Amendments to MFRS 10 Consolidated Financial Statements
  - Amendments to MFRS 107 Statement of Cash Flow

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 9, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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

The initial application of the above accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

A2. Audit qualifications

The audited financial statements of the Group for the financial year ended 31 December 2024 was not subject to any qualification.

A3. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence during this financial year-to-date.

A4. Material changes in estimates

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

A5. Changes in the composition of the Group

There were no major changes in the composition of the Group for the quarter under review and up to the date of this report.

A6. Seasonality or cyclicality of operations

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

A7. Segmental information

During the current reporting period, the Group operates under one main business segment which is Automotive. The information contained in the condensed statement of profit or loss and other comprehensive income represent the Automotive segment.

A8. Valuation of property, plant and equipment

The valuations of certain property, plant and equipment have been brought forward without amendment from the latest audited annual financial statements.

A9. Material impairment of assets

There was no material impairment of assets during the quarter under review and the financial year-to-date.

A10. Capital commitments

Capital commitments not provided for in the financial statements as at 31 December 2025 are as follows:

	RM'000
Property, plant and equipment	
Contracted but not provided for	59,299

A11. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 December 2024 are summarised as follows:-

	RM'000
Balance as at 31 December 2024	68,206
Movement in corporate guarantee issued to financial institutions for banking facilities granted to the subsidiaries	13,891
Balance as at 31 December 2025	82,097

The contingent liabilities were in respect of financial guarantees to banks for banking facilities granted to certain subsidiaries. There was no indication that any subsidiary would default on repayment.

A12. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter under review up to the date of this report.

A13. Related party transactions

The Group has related party transactions with companies in which certain directors of the Company have interests. Related parties are those defined under MFRS 124 Related Party Disclosures. Transactions with these related parties have been entered into in the normal course of business and have been established under arms length basis.

A14. Material event subsequent to the end of the financial year

There was no material events subsequent to the current quarter ended 31 December 2025 up to the date of this report.

A15. Dividends Paid

In respect of financial year ended 31 December 2024, a final single-tier dividend of RM0.00475 per ordinary share amounted to RM1,360,200 was paid on 19 June 2025.

B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of the performance

Current Quarter

	Individual quarter (4th quarter)		Changes		Cumulative period		Changes	
	Current year quarter ended 31/12/2025	Preceding year corresponding quarter ended 31/12/2024	Amount	%	Current year-to-date 31/12/2025	Preceding year-to-date 31/12/2024	Amount	%
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
Revenue	164,613	145,336	19,277	13.3	554,691	594,713	(40,022)	(6.7)
Operating profit	11,645	10,385	1,260	12.1	22,672	27,358	(4,686)	(17.1)
Profit before tax	8,919	7,579	1,340	17.7	13,024	15,989	(2,965)	(18.5)
Profit after tax	6,407	8,641	(2,234)	(25.9)	8,985	17,409	(8,424)	(48.4)
Profit attributable to owners of the Company	6,408	9,095	(2,687)	(29.5)	9,383	18,451	(9,068)	(49.1)

The Group recorded revenue of RM164.6mil for the quarter ended 31 December 2025, representing an increase of RM19.3mil compared with revenue of RM145.3mil in the corresponding quarter ended 31 December 2024. The increased in revenue in the current quarter was mainly attributable to tooling revenue and the sales of components to OEMs.

The Group's profit before tax rose to RM8.9mil from RM7.6mil in the preceding year corresponding quarter primarily attributable to the increased in revenue.

B2. Comparison with Immediate Preceding Quarter

	Current year quarter ended 31/12/2025	Immediate preceding quarter ended 30/9/2025	Changes	
			Amount	%
	RM'000	RM'000	RM'000	
Revenue	164,613	136,851	27,762	20.3
Operating profit	11,645	5,793	5,852	101.0
Profit before tax	8,919	3,041	5,878	193.3
Profit after tax	6,407	1,965	4,442	226.1
Profit attributable to owners of the Company	6,408	1,923	4,485	233.2

Revenue of the Group increased quarter-on-quarter by 20.3% in Q4'2025 from RM136.9mil in Q3'2025 to RM164.6 million. The higher revenue in the current quarter was mainly due to tooling revenue and increased in the sales of components to OEMs. As a result, the Group's profit before tax surged by 193.3% to RM8.9mil, up from RM3.0 million in Q3'2025.

B3. Prospects for the coming financial year

Going forward, the Group expects a steady increase in component delivery volumes to support the ongoing assembly operations at the Melaka facility. Furthermore, the Group has secured new component programs for upcoming Proton and Perodua models, which are expected to contribute positively to the manufacturing segment.

In addition, assembly of new models will commence in Melaka Assembly plant, with encouraging projected volume levels anticipated.

These developments indicate that the strategies implemented are beginning to yield positive results for the Group and if this momentum is sustained, the Group is well-positioned to deliver an improved financial performance in the next financial year.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee issued by the Group.

B5. Tax expense/(income)

	Individual Quarter		Cumulative Period	
	Current year quarter ended 31/12/2025 RM'000	**Preceding year corresponding quarter ended 31/12/2024 RM'000**	**Current year-to-date 31/12/2025 RM'000**	**Preceding year-to-date 31/12/2024 RM'000**
Income tax:				
-Current year	814	138	3,122	6,426
-Prior years	(3)	8	100	(3,367)
	811	146	3,222	3,059
Deferred tax:				
-Current year	534	21	(350)	(3,250)
-Prior years	1,167	(1,229)	1,167	(1,229)
	1,701	(1,208)	817	(4,479)
	2,512	**(1,062)**	**4,039**	**(1,420)**

B6. Status of corporate proposals

There were no corporate proposals announced which have not been completed as at the date of this report.

B7. Memorandums and Agreements

i) Memorandum of Understanding between EP Manufacturing Bhd with SJQ Investments LLC ("SJQ"), CVI Kildsen Sdn Bhd ("CK") and Sharkgulf Technologies Group Limited ("Sharkgulf")

On 19 September 2022 the Board of Directors announced that the Company had on 15 September 2022 entered into a Memorandum of Understanding ("MOU") with SJQ, CK and Sharkgulf to form a strategic cooperation with one another for the expansion and development of 2-Wheel EVs and other related products in the Middle East market (hereinafter referred to as the "Strategic Cooperation").

Up to the date of this report, there is no material development pertaining to the MOU. Any material and significant development will be updated accordingly.

ii) Exclusive Distributor Agreement between EP 4Wheeler Sdn Bhd ("EP4W") and Hubei Dongfeng Power Auto Trade Co., Ltd and Xiamen Tsingyan Hylong Motor Technology Co., Ltd ("Tsingyan")

On 28 December 2022 the Board of Directors announced that its wholly owned subsidiary, EP 4Wheeler Sdn Bhd ("EP4W" or the "Distributor") has on 27 December 2022 entered into an Exclusive Distributor Agreement with Hubei Dongfeng Power Auto Trade Co., Ltd. and Tsingyan for the exclusive right granted by Tsingyan to assemble and sell the right-hand drive LINGBOX Auto Products under the brand name and marks of LINGBOX Auto, Qingyan Hailong or EP4W's own auto mark in Malaysia and Indonesia for a period of five (5) years commencing from 1 January 2023 and expiring on 31 December 2027 and shall be automatically renewed for a further period of five (5) years, subject to the terms and conditions as set out in the Exclusive Distributor Agreement.

Up to the date of this report, there is no material development pertaining to the above. Any material and significant development will be updated accordingly.

B7. Memorandums and Agreements (continued)

iii) Master Agreement for the supply of product between Averte Global Pte Ltd, Blueshark Group Limited and EP Blueshark Sdn Bhd ("EPBS")

Reference is made to the Company's announcement dated 9 January 2023 in relation to the Master Agreement for Business Collaboration ("Master Agreement") entered into between EP Blueshark Sdn. Bhd. ("EPBS"), Averte Global Pte Ltd and Blueshark Group Limited for the purpose of pursuing e-Motorbike business opportunities in Indonesia and Vietnam.

The Board of Directors wishes to inform that, after due consideration and review of the commercial viability and feasibility of the collaboration, EPBS has terminated the Master Agreement with immediate effect in February 2026.

The decision to terminate was made in view of, among others:

a) the absence of material progress or meaningful developments since the execution of the Master Agreement;

b) the non-fulfilment of the minimum order quantities as stipulated under the Master Agreement; and

c) the non-operationalisation of the proposed joint venture company contemplated under the Master Agreement.

The termination was mutually acknowledged by the respective counterparties. The termination does not give rise to any compensation, indemnity, or financial obligation on the part of the Group. The Board is of the view that the termination will not have any material effect on the earnings, net assets, gearing or share capital of the Company for the financial year ending 31 December 2025.

B8. Material Litigation

The Plaintiff VMG Transport (M) Sdn.Bhd. ("VMG") has instituted a civil suit against Peps-JV (Melaka) Sdn.Bhd.("Peps-JV") for an alleged breach of transportation agreement. Peps-JV had filed its defence and counterclaim in response to the suit.

Peps-JV had entered into a transport agreement with VMG to provide transport services to deliver automotive parts to the Peps-JV's client and time is of the essence. As a result of VMG's unilateral stopping of their transportation services without notice to deliver the Peps-JV's automotive parts during critical time, at that material time Peps-JV was compelled to terminate the said transport agreement with the VMG based on repudiatory breach of the said transport agreement as Peps-JV is contractually bound to pay a penalty under the contract between the Peps-JV and its client.

B8. Material Litigation (continued)

Peps-JV had to appoint another company to replace VMG to deliver its automotive parts to its client in order to avoid the said contractual penalty. Dissatisfied with the termination, VMG filed the said suit claiming a judgment sum of RM1,917,495.86 for an alleged unpaid invoice ("Judgment Sum Claim") and special damages amounting to RM10,929,689.99, together with interests and costs ("Special Damages Claim"). Peps-JV counterclaimed for damages sustained amounting to RM1,511,984.50 for the said repudiatory breach of the said transportation agreement by VMG.

The trial for this case was conducted on 24.11.2021, 7.12.2021 and 26.10.2023; and oral submissions were heard on 7.6.2024.

On 13 September 2024, the High Court of Melaka made the following decisions ("High Court Decisions"):

(a) the Judgement Sum Claim was allowed;

(b) the Special Damages Claim was dismissed,

(c) the nominal damages of RM30,000.00 were granted to VMG for alleged wrongful termination of the Transportation Agreement;

(d) Peps-JV Counterclaim was dismissed; and

(e) the costs of RM10,000.00 were awarded to VMG.

On 11 October 2024, Peps-JV filed a notice of appeal against parts of the High Court Decisions (i) allowing the Judgment Sum Claim; (ii) the dismissal of the Peps-JV Counterclaim; and (iii) the order as to costs set out in item (e) above ("Peps-JV's Appeal").

On 14 October 2024, VMG filed a notice of appeal against the High Court Decisions dismissing the Special Damages Claim ("VMG's Appeal").

Pursuant to Peps-JV's filing of a notice of application for stay of execution of the High Court Decisions on 6.5.2025, the High Court had granted a stay of execution of the High Court Decisions until the full and final disposal of the hearing of the appeal by Peps-JV against the High Court Decisions in the Court of Appeal. On the date of hearing on 22 January 2026, the Court of Appeal had delivered an oral decision where Peps-JV's Appeal was dismissed with costs of RM80,000.00, while VMG's Appeal was dismissed with costs of RM50,000.00 ("Court of Appeal Order").

B8. Material Litigation (continued)

After giving due thought and consideration subsequent to the advice given by Peps-JV's solicitors, Peps-JV's Board of Directors had reached the conclusion that the Court of Appeal Order is a fair order and as such, the Board of Directors had decided not to appeal against the Court of Appeal Order, pursuant to which Peps-JV will be making an additional payment of approximately RM1,015,573.84 to VMG on or before 28.2.2026; which is comprised of the following itemization of details whereas the sum of RM1,917,495.86 (Judgement Sum Claim) which was previously deposited with VMG's solicitors on 11.06.2025 shall be released in due course to VMG -

i. Nominal damages = RM30,000.00;
ii. Late payment interest at the rate of 10% per annum on the sum of RM1,917,495.86 (Judgement Sum Claim), calculated from 29.02.2020 until 11.06.2025 = RM 1,013,908.77; and
iii. Interest at the rate of 5% per annum on the sum of RM30,000.00 (nominal damages), calculated from 13.9.2024 until 28.02.2026 = RM2,194.52 (Please note that the calculation for Item (iii) is based on the number of days from 13.9.2024 - 28.2.2026. If Item (iii) is paid before 28.2.2026 or after 28.2.2026, the amount of interest shall also decrease or increase accordingly, as the case may be).

As to date, Peps-JV is in the midst of discussing with VMG on the possibility of an amicable settlement.

B9. Loans and borrowings

	As at 31/12/2025 RM'000	As at 31/12/2024 RM'000
Non- Current		
Term loans	56,250	33,135
Hire purchase	843	375
Total	57,093	33,510
Current		
Term loans	18,492	26,196
Banker's acceptance	59,688	59,128
Revolving credit	25,000	25,000
Bank overdraft	8,569	8,679
Hire purchase	486	163
Total	112,235	119,166
Total loans and borrowings	169,328	152,676

Borrowings are secured and denominated in Ringgit Malaysia.

Loans and borrowings of the Group increased by RM16.7mil to RM169.3mil as at 31 December 2025 as compared to RM152.7mil as at 31 December 2024 mainly due to drawdown of new term loans for Melaka vehicle assembly plant.

The weighted average interest rate of borrowings is 4.63% and the proportion of debt that is based on fixed and floating interest rates are as follows:

	As at 31/12/2025 RM'000	As at 31/12/2024 RM'000
Fixed interest rate borrowings	135,334	117,570
Floating interest rate borrowings	33,994	35,106
Total loans and borrowings	169,328	152,676

B10. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 December 2025.

B11. Dividend

The Board of Directors does not declare any dividend for the current quarter ended 31 December 2025.

B12. Earnings per share

The calculation of basic earnings per share is based on the net profit attributable to owners of the Company for the period divided by the weighted average number of ordinary shares:

	Individual Quarter		Cumulative Period	
	Current year quarter ended 31/12/2025	**Preceding year corresponding quarter ended 31/12/2024**	**Current year- to- date 31/12/2025**	**Preceding year-to-date 31/12/2024**
Profit for the period attributable to owners of the Company (RM'000)	6,408	9,095	9,383	18,451
Weighted average number of ordinary shares ('000)	286,368	226,151	286,368	226,151
Basic earnings per share (sen)	2.24	4.02	3.28	8.16
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

No diluted EPS is disclosed in these condensed consolidated interim financial statements as there are no dilutive potential ordinary shares.

B13. Notes to the Statement of Comprehensive Income

	Individual Quarter		Cumulative Period	
	Current year quarter ended 31/12/2025 RM'000	Preceding year corresponding quarter ended 31/12/2024 RM'000	Current year- to-date 31/12/2025 RM'000	Preceding year-to-date 31/12/2024 RM'000
Finance income	467	216	846	419
Finance costs	(3,193)	(3,022)	(10,494)	(11,788)
Depreciation and amortisation	(6,772)	(6,697)	(26,451)	(26,363)
Inventories written off	(136)	2,891	(478)	(210)
Reversal of impairment loss on trade and other receivables	23	318	555	2,933
Reversal of /(Allowance for) slow moving inventories	(164)	(3,021)	(378)	(3,121)
Gain/(Loss) on disposal of property, plant and equipment	909	-	904	42
Foreign exchange gain/(loss)	1,293	2,885	1,743	1,535

The above disclosure is prepared in accordance with the paragraph 16 of Appendix 9B of the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to Paragraph 16 of MMLR are not applicable to the Group.

By order of The Board
EP Manufacturing Bhd.

Lim Seck Wah
Company Secretary
Shah Alam
Date: 26 February 2026