EPB GROUP BERHAD

Registration No.: 202201007128 (1452825-U)
(Incorporated in Malaysia under the Companies Act, 2016)

INTERIM FINANCIAL REPORT

FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025

EPB GROUP BERHAD
Registration No.: 202201007128 (1452825-U)
(Incorporated in Malaysia under the Companies Act, 2016)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)[1]

	Note	Individual quarter		Cumulative quarter	
		Current quarter ended 31-Dec-25 RM'000	Comparative quarter ended 31-Dec-24 RM'000	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Revenue	A13	32,687	27,826	120,960	105,514
Cost of sales		(22,605)	(16,335)	(83,230)	(68,997)
Gross profit		**10,082**	**11,491**	**37,730**	**36,517**
Other income		656	1,238	2,423	3,755
Selling and distribution expenses		(2,918)	(5,642)	(10,160)	(12,370)
Administrative and other expenses		(5,425)	(2,993)	(15,333)	(14,228)
Operating profit		**2,395**	**4,094**	**14,660**	**13,674**
Finance costs		[2]175	(32)	(52)	(173)
Profit before taxation ("PBT")	B11	**2,570**	**4,062**	**14,608**	**13,501**
Taxation	B5	2,253	(1,272)	(873)	(3,715)
Profit for the financial period/year ("PAT")		**4,823**	**2,790**	**13,735**	**9,786**
Other comprehensive income, net of tax					
Item that will be reclassified subsequently to profit or loss, net of tax effects					
- Exchange gain/(loss) on translation of foreign operations		(803)	1,842	(2,080)	(702)
Total comprehensive income for the financial period/year		**4,020**	**4,632**	**11,655**	**9,084**
PAT/(Loss after tax) for the financial period/year attributable to: -					
Owners of the Company		4,825	2,790	13,738	9,786
Non-controlling interests ("**NCI**")		(2)	-	(3)	-
		4,823	**2,790**	**13,735**	**9,786**
Total comprehensive income/(loss) for the financial period/year attributable to: -					
Owners of the Company		4,022	4,632	11,658	9,084
NCI		(2)	-	(3)	-
		4,020	**4,632**	**11,655**	**9,084**

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)[(1)] (CONT'D)

		Individual quarter		Cumulative quarter	
	Note	Current quarter ended 31-Dec-25 RM'000	Comparative quarter ended 31-Dec-24 RM'000	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Earnings per share ("EPS") attributable to owners of the Company: -					
Basic EPS[(3)] (sen)	B9	1.30	0.75	3.69	3.00
Diluted EPS[(3)] (sen)	B9	1.30	0.75	3.69	3.00

Notes: -

(1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of EPB Group Berhad ("**EPB**" or "**Company**") for the financial year ended 31 December 2024 ("**FYE 2024**"), as disclosed in the annual report for the FYE 2024 ("**Annual Report**") and the accompanying explanatory notes attached to this interim financial report.

(2) The positive figure for the current quarter ended 31 December 2025 in relation to the finance costs was due to some portion of the finance costs expensed off in previous quarters have been reversed and capitalised as part of cost of the property, plant and equipment in accordance with Malaysian Financial Reporting Standards ("**MFRS**") 123 during the current quarter under review, being borrowing costs directly attributable to the construction of the new factory.

(3) Please refer to Note B9 for further details.

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)[1]

	As at 31-Dec-25 (unaudited) RM'000	As at 31-Dec-24 (audited) RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	15,398	10,312
Intangible assets	846	549
Right-of-use assets	28,684	5,200
	44,928	16,061
Current Assets		
Inventories	13,685	13,835
Trade receivables	15,856	14,538
Other receivables, deposits and prepayments	8,632	16,043
Fixed deposits with licensed banks	29,219	29,441
Cash and bank balances	34,465	42,698
Tax recoverable	571	1,793
	102,428	118,348
TOTAL ASSETS	**147,356**	**134,409**
EQUITY AND LIABILITIES		
Equity		
Share capital	68,878	68,878
Merger deficit	(24,491)	(24,491)
Exchange translation reserve	(1,660)	420
Retained profits	67,841	57,823
Equity attributable to owners of the Company	**110,568**	**102,630**
NCI	(3)	-
Total Equity	**110,565**	**102,630**
Non-current Liabilities		
Lease liabilities	403	481
Bank borrowings	8,939	-
Deferred tax liabilities	317	3,736
	9,659	4,217
Current Liabilities		
Trade payables	6,972	3,929
Other payables, deposits and accrued liabilities	19,133	21,384
Lease liabilities	328	385
Bank borrowings	436	1,049
Tax payable	263	815
	27,132	27,562
Total Liabilities	**36,791**	**31,779**
TOTAL EQUITY AND LIABILITIES	**147,356**	**134,409**
Number of ordinary shares ('000)	372,000	372,000
Net assets per share (RM)	0.30	0.28

Note: -

(1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position is disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Company for the FYE 2024, as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

EPB GROUP BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)[1]

	[------ Non-Distributable			------]	Distributable			
	Ordinary shares RM'000	Invested equity RM'000	Merger deficit RM'000	Exchange translation reserve RM'000	Retained profits RM'000	Total RM'000	NCI RM'000	Total Equity RM'000
Balance at 1 January 2024	*	5,552	-	1,122	48,037	54,711	-	54,711
Profit for the financial year	-	-	-	-	9,786	9,786	-	9,786
Exchange loss on translation of foreign operation	-	-	-	(702)	-	(702)	-	(702)
Total comprehensive income for the financial year	-	-	-	(702)	9,786	9,084	-	9,084
Issuance of new ordinary shares	70,122	(5,552)	(24,491)	-	-	40,079	-	40,079
Share issuance expenses	(1,244)	-	-	-	-	(1,244)	-	(1,244)
	68,878	(5,552)	(24,491)	-	-	38,835	-	38,835
Balance at 31 December 2024	68,878	-	(24,491)	420	57,823	102,630	-	102,630
Balance at 1 January 2025	68,878	-	(24,491)	420	57,823	102,630	-	102,630
Profit for the financial year	-	-	-	-	13,738	13,738	(3)	13,735
Exchange loss on translation of foreign operations	-	-	-	(2,080)	-	(2,080)	-	(2,080)
Total comprehensive income for the financial year	-	-	-	(2,080)	13,738	11,658	(3)	11,655
Transaction with the owners of the Company								
Dividend paid	-	-	-	-	(3,720)	(3,720)	-	(3,720)
Balance at 31 December 2025	68,878	-	(24,491)	(1,660)	67,841	110,568	(3)	110,565

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)[(1)] (CONT'D)

Notes: -

(1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Company for the FYE 2024, as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

* Represents RM2.

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EPB GROUP BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)[1]

	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
PBT	14,608	13,501
Adjustments for: -		
Amortisation of intangible assets	48	10
Bad debt recovered	-	(66)
Bad debts written off	-	193
Deposit paid forfeited	-	4
Deposits received forfeited	(50)	(20)
Depreciation of property, plant and equipment	1,064	1,088
Depreciation of rights-of-use assets	720	528
Interest expenses	52	173
Interest income	(1,038)	(753)
Gain on disposal of property, plant and equipment	(88)	(1)
Net additional/(reversal) of allowance for impairment loss on trade receivables	1,164	(1,719)
Property, plant and equipment written off	*	1
Unrealised loss on foreign exchange	593	383
Write-down in value of inventories - net	182	212
Operating profit before working capital changes	17,255	13,534
Decrease/(Increase) in inventories	2,016	(838)
Increase in trade and other receivables	(6,046)	(9,462)
Increase in trade and other payables	1,406	7,755
	14,631	10,989
Interest paid	(52)	(173)
Tax paid	(4,110)	(3,836)
Tax refunded	495	-
Net cash generated from operating activities	**10,964**	**6,980**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible asset	(183)	-
Acquisition of property, plant and equipment	(6,146)	(235)
Acquisition of right-of-use assets	(18,472)	(230)
Deposit paid for property, plant and equipment	-	(4,499)
Interest received	1,038	753
Proceeds received from disposal of property, plant and equipment	97	3
Withdrawal/(Placement) of fixed deposits with maturity periods exceeding 3 months	27,974	(25,306)
Net cash generated from/(used in) investing activities	**4,308**	**(29,514)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,720)	-
Proceeds from issuance of ordinary shares, net of share issue expenses	-	38,835
Net drawdown/(repayment) of term loans	8,326	(2,179)
Net repayment of lease liabilities	(275)	(410)
Net cash generated from financing activities	**4,331**	**36,246**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)[(1)] (CONT'D)

	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Net increase in cash and cash equivalents	19,603	13,712
Exchange difference on cash and cash equivalents	(2,135)	(1,191)
Cash and cash equivalents at beginning of financial year	45,666	34,312
Cash and cash equivalents at end of the financial year	**63,134**	**46,833**
Cash and cash equivalents comprise: -		
Cash and bank balances	34,465	42,698
Fixed deposits with licensed banks with maturity periods not exceeding 3 months	28,669	4,135
Cash and cash equivalents in the consolidated statements of cash flows	**63,134**	**46,833**
Add: -		
Fixed deposits with licensed bank with maturity periods exceeding 3 months	550	25,306
Cash and cash equivalents in the consolidated statements of financial position	**63,684**	**72,139**

Notes: -

(1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Company for the FYE 2024, as disclosed in the Annual Report and the accompanying explanatory notes attached to the interim financial report.

* Less than RM1,000.

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EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134

A1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

This interim financial report should be read in conjunction with audited consolidated financial statements of the Company for the FYE 2024, as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report. Any discrepancies in the tables between the amounts listed and the totals in this interim financial report are due to rounding.

A2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computation adopted by EPB and its subsidiaries ("**Group**") in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the FYE 2024 except for the adoption of the following MFRSs and amendments to MFRSs: -

Effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 - Lack of Exchangeability

The adoption of the above amendments to MFRS did not have any significant financial impact to the Group upon their initial application.

The following MFRSs and amendments to the MFRSs have been issued by the MASB but are not early adopted by the Group: -

Effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7 - Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9 and MFRS 7 - Contracts Referencing Nature-dependent Electricity
- Annual Improvements to MFRS Accounting Standards – Volume 11: -
  - Amendments to MFRS 1 - First-time Adoption of Malaysian Financial Reporting 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 Flows

Effective for annual periods beginning on or after 1 January 2027

- Amendments to MFRS 121 – Translation to a Hyperinflationary Presentation Currency
- MFRS 18 - Presentation and Disclosure in Financial Statements
- MFRS 19 - Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 19 – Subsidiaries without Public Accountability: Disclosures

Effective for annual periods beginning on or after a date to be determined by the MASB

- Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

A2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Group will apply the above new MFRSs and amendments to MFRSs that are applicable once they become effective and the adoption is not expected to have any material impact on the Group's financial statements in the period of initial application, save as disclosed below: -

MFRS 18 – Presentation and Disclosure in Financial Statements.

The new MFRS 18 will replace MFRS 101 - Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures, but it will not impact the recognition and measurement of items in the financial statements of the entity.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the Group's most recent annual audited financial statements for the FYE 2024 were not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY OF OPERATION

The business operations of the Group were not affected by any notable seasonal or cyclical trend during the current quarter and year-to-date under review.

A5. UNUSUAL ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and year-to-date under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no significant changes in estimates of amounts reported in prior financial years that have a material impact on the current quarter and year-to-date under review.

A7. DEBTS AND EQUITY SECURITIES

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

A8. DIVIDEND PAID/DECLARED

On 2 October 2025, the Company has declared a first interim single-tier dividend of RM0.01 per ordinary share amounting to RM3,720,000 in respect of the financial year ending 31 December 2025. The dividend was paid on 26 November 2025 to shareholders of the Company who are registered in the Record of Depositors as at 5.00 p.m. on 6 November 2025.

Save for the above, there were no dividends paid/declared for the current quarter, year-to-date under review and subsequent period up to the date of this interim financial report.

A9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT QUARTER AND YEAR-TO-DATE UNDER REVIEW

There were no material events subsequent to the end of the current quarter and year-to-date under review that have not been reflected in this interim financial report.

A10. CHANGES IN THE COMPOSITION OF THE GROUP

(a) On 18 August 2025, the Company incorporated a subsidiary, namely AI Medic Device Equipment Supplies Sdn Bhd ("**AI Medic**"), with a share capital of RM3,000, comprising 3,000 ordinary shares. The Company holds 80.00% (comprising 2,400 ordinary shares) while the remaining 20.00% (comprising 600 ordinary shares) is held by Fan, Yanlin. AI Medic is principally involved in: -

(i) sales, distribution and integration of robotic technology, automation technology and/or AI-powered food processing and packaging machinery solutions;
(ii) sales, distribution and integration of AI-powered medical services and healthcare equipment; and/or
(iii) sales, distribution and integration of other machinery and equipment.

Please refer to the Company's announcement dated 18 August 2025, which is accessible on the website of Bursa Securities for further details.

(b) On 14 November 2025, Bestworld Engineering Sdn Bhd (a wholly-owned subsidiary of the Company) disposed of the entire equity interests in Bestworld Perkasa Ltd to EPB Capital Limited (a wholly-owned subsidiary of the Company) for a consideration of USD75,000 to be satisfied in cash ("**Internal Reorganisation**"). The Internal Reorganisation has no impact on the effective equity interest of the Group in Bestworld Perkasa Ltd, which remains at 100% before and after the Internal Reorganisation.

(c) On 12 January 2026, EPB Capital Limited (a wholly-owned subsidiary of the Company), subscribed for 9,599,998 units of share representing approximately 80.00% equity interest in Bestworld Services Solution Inc ("**BW Philippines**") at the subscription price of Philippines Peso ("**PHP**") 1 per share. BW Philippines is intended to be principally involved in: -

(i) providing installation, repair and maintenance services; and
(ii) wholesale trading, including the import and export of goods.

BW Philippines is a company incorporated in the Philippines under the Revised Corporation Code of the Philippines (Republic Act No. 11232) and the Foreign Investments Act of 1991 (Republic Act No. 7042) with a registered capital of PHP12,000,000, comprising 12,000,000 shares. The directors of BW Philippines as at the date of incorporation are Liew Meng Hooi, Yeow Song You and Meinrad David Reyes.

The shareholders of BW Philippines and their respective shareholdings as at the date of incorporation are as follows: -

	Shareholdings	
Name	**No. of shares**	**%**
EPB Capital Limited	9,599,998	80.00
Liew Meng Hooi	1	*
Yeow Song You	1	*
Meinrad David Reyes	2,400,000	20.00
	12,000,000	100.00

Note: -
* Less than 0.01%.

A10. CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

(d) On 20 January 2026, EPB Capital Limited (a wholly-owned subsidiary of the Company), subscribed for 6,000 units of share representing approximately 60.00% equity interest in Bestworld Services Solution Limited at the subscription price of Hong Kong Dollar (HKD) 1 per share. The name of the company was subsequently changed to Best Solution Corporation Limited on 4 February 2026 ("**Best Solution HK**"). Best Solution HK is intended to be principally involved in import and export trade.

Best Solution HK is a company incorporated in Hong Kong under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) with a registered capital of Hong Kong Dollar ("**HKD**") 10,000 comprising 10,000 shares. The directors of Best Solution HK as at the date of incorporation are Liew Meng Hooi, Yeow Song You, Meinrad David Reyes and Joselito Pagtalunan Adriano.

The shareholders of Best Solution HK and their respective shareholdings as at the date of incorporation are as follows: -

	Shareholdings	
Name	**No. of shares**	**%**
EPB Capital Limited	6,000	60.00
Meinrad David Reyes	2,000	20.00
Joselito Pagtalunan Adriano	2,000	20.00
	10,000	100.00

A11. CHANGES IN MATERIAL CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no material contingent assets and contingent liabilities during the current quarter and year-to-date under review.

A12. MATERIAL CAPITAL COMMITMENTS

Save as disclosed below, there is no material commitment for capital expenditure, which upon becoming enforceable, may have a material effect on the Group's financial position during the current quarter and year-to-date under review:

	As at 31 Dec 2025 RM'000
Property, plant and equipment:	
Approved and contracted for	8,541

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A13. SEGMENT INFORMATION

The Group's operations consist of provision of food processing and packaging machinery solutions, trading of cellulose casings and manufacturing and trading of flexible packaging materials; which are collectively considered as single reportable segment. Accordingly, the operating revenue and results of the single reportable segment are as reflected in the Group's consolidated statements of profit or loss and other comprehensive income. The segment assets and liabilities are as presented in the Group's consolidated statements of financial position. Entity-wide disclosures as required by MFRS 8 for the current quarter and year-to-date under review were as follows: -

Products and services information

	Individual quarter		Cumulative quarter	
	Current quarter ended 31-Dec-25 RM'000	Comparative quarter ended 31-Dec-24 RM'000	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Revenue from: -				
• Food processing and packaging machinery solutions	24,445	16,852	97,701	76,784
• Trading of cellulose casings	3,270	3,343	11,050	13,075
• Manufacturing and trading of flexible packaging materials	4,972	7,631	12,209	15,655
	32,687	**27,826**	**120,960**	**105,514**

Geographical information

In determining geographical information of the Group, "Revenue" is based on the geographical location of customers, and "Non-current Assets" are based on the geographical location of the assets.

	Individual quarter		Cumulative quarter	
	Current quarter ended 31-Dec-25 RM'000	Comparative quarter ended 31-Dec-24 RM'000	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Revenue from: -				
• Malaysian customers	4,463	9,209	33,516	25,139
• Overseas customers				
- Indonesia	14,039	9,017	31,764	51,878
- Philippines	7,378	2,227	40,606	9,599
- Others	6,807	7,373	15,074	18,898
	32,687	**27,826**	**120,960**	**105,514**

	31-Dec-25 RM'000	31-Dec-24 RM'000
Non-current assets located in Malaysia	44,834	15,971
Non-current assets located outside Malaysia	94	90
	44,928	**16,061**

A14. RELATED PARTY TRANSACTIONS ("RPTs")

	Individual quarter		Cumulative quarter	
	Current quarter ended 31-Dec-25 RM'000	Comparative quarter ended 31-Dec-24 RM'000	Current year-to-date ended 31-Dec-25 RM'000	Comparative year-to-date ended 31-Dec-24 RM'000
Recurrent RPTs				
(i) PT Bestworld Perkasa				
• Marketing fees	226	107	928	438
• Technical fees	-	179	-	310
• Sales of machinery	-	-	6	146
• Project incentive	107	-	107	-
(ii) Director and/or person connected				
• Rental of premises	34	22	127	90
Other RPTs				
(i) PT Bestworld Perkasa				
• Other expenses	-	31	48	117
• Sub-contract fees	-	-	5	2
(ii) Wong & Loh				
• Legal fee	5	-	28	-

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ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. REVIEW OF PERFORMANCE

Financial review for Current Quarter (Q4'25) vs Comparative Quarter (Q4'24) and Current Year-To-Date (12M YTD'25) vs Comparative Year-To-Date (12M YTD'24)

	Individual quarter				Cumulative quarter			
	Current quarter ended 31-Dec-25	Comparative quarter ended 31-Dec-24	Variance		Current year-to-date ended 31-Dec-25	Comparative year-to-date ended 31-Dec-24	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	32,687	27,826	4,861	17.47	120,960	105,514	15,446	14.64
Gross Profit (**"GP"**)	10,082	11,491	(1,409)	(12.26)	37,730	36,517	1,213	3.32
PBT	2,570	4,062	(1,492)	(36.73)	14,608	13,501	1,107	8.20
PAT	4,823	2,790	2,033	72.87	13,735	9,786	3,949	40.35

<u>Comparison with corresponding quarter of the preceding period</u>

The Group's revenue increased by approximately RM4.86 million or 17.47% from RM27.83 million in the corresponding quarter of the preceding period ("**Q4'24**") to RM32.69 million in the current quarter under review ("**Q4'25**"), mainly attributable to increase in revenue from provision of food processing and packaging machinery solutions business segment amounting to RM7.60 million or 45.10% from RM16.85 million for Q4'24 to RM24.45 million for Q4'25; in line with higher sales to the Group's overseas customers based in the Philippines and Indonesia, which was partially offset by lower sales to the Group's local customers and other foreign countries.

The abovementioned increase was, however, partially offset by the decrease in revenue from manufacturing and trading of flexible packaging materials business segment amounting to RM2.66 million; resulting from lower sales to the Group's customer based in Algeria, which was partially offset by higher sales to the Group's customer based in Myanmar.

The Group's GP decreased by RM1.41 million or 12.26% to RM10.08 million for Q4'25 (Q4'24: RM11.49 million), mainly due to the lower overall GP margin recorded in the Q4'25.

B1. REVIEW OF PERFORMANCE (CONT'D)

Comparison with corresponding quarter of the preceding period (cont'd)

The Group's PBT decreased by RM1.49 million or 36.73%, mainly resulting from the lower GP recorded as explained above. Despite the lower PBT recorded for Q4'25, the Group's PAT increased by RM2.03 million or 72.87% for Q4'25; mainly attributable to the reversal of deferred tax liabilities provided for in the prior years.

Comparison with corresponding cumulative year-to-date of the preceding year

The Group's revenue increased by approximately RM15.45 million or 14.64% from RM105.51 million in the corresponding cumulative year-to-date of the preceding year ("**12M YTD'24**") to RM120.96 million in the current cumulative year-to-date ("**12M YTD'25**"), mainly attributable to the increase in revenue from provision of food processing and packaging machinery solutions business segment amounting to RM20.92 million or 27.25% from RM76.78 million for 12M YTD'24 to RM97.70 million for 12M YTD'25; in line with higher sales to the Group's local customers as well as the Group's overseas customers based in the Philippines, which was partially offset by lower sales to the Group's overseas customers based in Indonesia and other foreign countries.

The abovementioned increase was, however, partially offset by the decrease in revenue from trading of cellulose casings business segment and manufacturing and trading of flexible packaging materials business segment amounting to RM2.03 million and RM3.45 million respectively; as a result of lower orders received and delivered to the Group's customers.

The Group's GP increased by RM1.21 million or 3.32% to RM37.73 million for 12M YTD'25 (12M YTD'24: RM36.52 million), mainly in line with the revenue growth from provision of food processing and packaging machinery solutions business segment as explained above.

The Group's PBT and PAT increased by RM1.11 million or 8.20% and RM3.95 million or 40.35% respectively for 12M YTD'25, mainly attributable to the growth in GP as explained above; as well as reversal of deferred tax liabilities provided for in the prior years.

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B2. CURRENT QUARTER (Q4'25) vs IMMEDIATELY PRECEDING QUARTER (Q3'25)

	31-Dec-25 RM'000	30-Sep-25 RM'000	Variance RM'000	Changes %
Revenue	32,687	31,410	1,277	4.07
GP	10,082	9,931	151	1.52
PBT	2,570	4,866	(2,296)	(47.18)
PAT	4,823	3,691	1,132	30.67

The Group recorded a revenue of approximately RM32.69 million during Q4'25, as compared to revenue of approximately RM31.41 million recorded in the immediately preceding quarter ended 30 September 2025 ("**Q3'25**"), mainly attributable to the increase in revenue from manufacturing and trading of flexible packaging materials business segment amounting to RM3.53 million or 245.14% from RM1.44 million for Q3'25 to RM4.97 million for Q4'25, mainly due to higher sales of packaging materials to the Group's overseas customer based in Myanmar.

The abovementioned increase was, however, partially offset by the following: -

(i) decrease in revenue from provision of food processing and packaging machinery solutions business segment amounting to RM1.94 million; as a result of lower sales to the Group's local customers as well as overseas customers based in Philippines respectively, which was partially offset by higher sales to the Group's overseas customers based in Indonesia; and

(ii) decrease in revenue from the Group's trading of cellulose casing business segment amounting to RM0.32 million, resulting from lower orders from the Group's overseas customers based in Indonesia during Q4'25.

The Group recorded higher GP during Q4'25, increased by RM0.15 million or 1.52% as compared to Q3'25, mainly in line with the revenue growth from manufacturing and trading of flexible packaging materials business segment.

The Group's PBT decreased by RM2.30 million or 47.18%, mainly resulting from the overall increase in the Group's administrative and other expenses as well as selling and distribution expenses. Despite the lower PBT recorded for Q4'25, the Group's PAT increased by RM1.13 million or 30.67% for Q4'25; mainly due to the reversal of deferred tax liabilities provided for in the prior years.

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B3. PROSPECTS

Against this uncertain global backdrop, EPB's key markets within the Association of Southeast Asian Nations ("**ASEAN**") continue to present medium-term growth opportunities despite uneven short-term performance. Indonesia recorded its strongest economic expansion in three years in 2025, supported by robust household spending and investment activity. (*Source: Indonesia Economic Growth Rate, Reuters, February 2026*) while growth momentum in the Philippines is expected to improve, underpinned by sound macroeconomic fundamentals despite near-term challenges. These markets remain structurally attractive for food and beverage manufacturing investments, particularly as producers seek to modernise facilities, improve productivity and comply with higher packaging and food safety standards.

In Malaysia, the economic performance in the fourth quarter of 2025 remained robust. Advance estimates indicate that gross domestic product growth accelerated to 5.7% year-on-year, compared with 5.2% in the preceding quarter, supported by broad-based expansion across the services, manufacturing, construction and agriculture sectors. On a quarter-on-quarter basis, economic growth moderated to 3.0% from 5.4% in the third quarter, reflecting normalisation effects following a strong earlier performance. (Source: *Advance Gross Domestic Product Estimates, Department of Statistics Malaysia, January 2026*) The Monetary Policy Committee of Bank Negara Malaysia maintained the Overnight Policy Rate at 2.75%, signalling continued confidence in domestic growth conditions while preserving accommodative financial support for consumption and investment activities. (Source: *Monetary Policy Statement, Bank Negara Malaysia, January 2026*) In addition, the services sector grew by 5.4%, driven by stronger wholesale and retail trade, transportation and storage, and food and beverage-related sub-sectors. (*Source: Monetary Policy Statement, Bank Negara Malaysia, January 2026*) These trends point to sustained activity across Malaysia's food production, processing and distribution value chain, reinforcing demand for automation, processing efficiency and packaging solutions.

Looking ahead, Malaysia's growth momentum is expected to carry into 2026, supported by resilient domestic demand, steady employment conditions and wage growth, as well as income-related policy measures. Investment activity is anticipated to remain healthy, driven by the continued implementation of multi-year public and private sector projects, high realisation rates of approved investments and the rollout of national master plans. Under Budget 2026, policy measures aimed at strengthening food security, productivity and automation, together with long-term tax incentives of up to 10 years of 100.00% tax exemption for qualifying food industry investments, continue to support capital expenditure across Malaysia's food manufacturing ecosystem. *(Source: Budget 2026 Highlights, The Edge, February 2026)* These incentives are expected to accelerate machinery replacement cycles and capacity expansion, particularly among mid-to-large-scale food processors upgrading towards automated and energy-efficient production lines.

According to independent market research, Malaysia's food processing and packaging machinery market is projected to expand at a compound annual growth rate of 10.4% from 2024 to 2028, potentially reaching a market size of approximately RM2.84 billion by the end of the period. This growth trajectory is underpinned by structurally rising automation adoption, increasing demand for ready-to-consume food products, and the continued expansion of regional food exports, which collectively drive sustained demand for processing, packaging and automation solutions. (*Source: Protégé's Independent Market Research Report, EPB's Prospectus dated 27 June 2024*)

Against this backdrop, the Group remains well-positioned to strengthen its competitive standing heading into 2026. The Group's strategic partnership with Shenzhen Honglin Machinery Equipment Co Ltd culminated in the establishment of AI Medic, a new automation-focused subsidiary in which EPB holds an 80.00% equity interest. This majority ownership structure provides EPB with strategic control over technology localisation, product development and regional deployment of robotics and AI-enabled automation solutions tailored to the food processing and packaging industry. (*Source: Partnership with Shenzhen Honglin and Strategic Sustainability Partnership with Nidec, Company's Announcement on Bursa Securities in relation to Press Release dated 21 August 2025*)

B3. PROSPECTS (CONT'D)

In parallel, the Group's collaboration with Nidec Corporation enables the integration of variable frequency drives into its core machinery offerings, delivering quantifiable benefits in energy efficiency, reduced machine wear, lower operating costs and extended equipment lifespan; key considerations for food manufacturers facing rising energy and compliance costs. Supported by the ramp-up of the Group's new manufacturing facility, these initiatives enhance the Group's production capacity, technology depth and environmental, social, and governance profile, positioning the Group to capture structurally rising demand for automation upgrades across Malaysia and key ASEAN markets, where food processing output and packaging requirements continue to expand in line with manufacturing growth.

As at 31 January 2026, being the latest practicable date prior to the announcement of this interim report, the Group's order book stood at RM81.53 million; which are expected to be fulfilled and billed progressively in the financial year ending 31 December 2026 ("**FYE 2026**") and the financial year ending 31 December 2027 ("**FYE 2027**"). The breakdown of order book by business segments are as follows:

	Expected to be fulfilled and billed in		
	FYE 2026	FYE 2027	Total
Order book by business segment	**RM'000**	**RM'000**	**RM'000**
Food processing and packaging machinery solutions	63,145	-	63,145
Trading of cellulose casings	8,074	6,468	14,542
Manufacturing and trading of flexible packaging materials	3,847	-	3,847
Total	**75,066**	**6,468**	**81,534**

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The Group did not provide any profit forecast or profit guarantee in any public documents or any announcements made.

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B5. TAXATION

	Individual quarter		Cumulative quarter	
	Current quarter ended 31-Dec-25 RM'000	**Comparative quarter ended 31-Dec-24 RM'000**	**Current year-to-date ended 31-Dec-25 RM'000**	**Comparative year-to-date ended 31-Dec-24 RM'000**
Current income tax	(1,000)	(990)	(4,292)	(2,478)
Deferred tax	3,253	(282)	3,419	(1,237)
Taxation	**2,253**	**(1,272)**	**(873)**	**(3,715)**
Effective tax rate	N/A	31.31%	5.98%	27.52%
Applicable statutory tax rate:				
Malaysia:				
• On the first RM150,000 of chargeable income(1)	-	15.00%	-	15.00%
• On the subsequent RM450,000 of chargeable income(1)	-	17.00%	-	17.00%
• Balance of chargeable income(1)	24.00%	24.00%	24.00%	24.00%
Labuan	3.00%	3.00%	3.00%	3.00%
United Arab Emirates(2) ("**UAE**")	9.00%	9.00%	9.00%	9.00%

Notes: -

(1) Applicable to company with paid-up capital not more than RM2.50 million. Upon completion of the pre-listing exercise on 18 April 2024 (further details as disclosed in the EPB's Prospectus dated 27 June 2024 which is available on Bursa Securities), the Group will no longer enjoy this preferential tax rate, and the chargeable income will be subject to the prevailing statutory tax rate of 24.00% (or such applicable tax rate as determined and announced by the Malaysian Government) effective from year of assessment 2025.

(2) Pursuant to the amendment of paragraph 28 of Schedule 6, Income Tax Act 1967, the dividend received from BW Perkasa UAE is subject to prevailing income tax rate on remittance to Malaysia, with tax credit allowed for foreign tax charged in UAE effective from year of assessment 2024.

N/A Not applicable.

The Group recorded tax income for the current quarter under review, whilst the Group's effective tax rate stood at 5.98% for the year-to-date under review, lower as compared to the statutory tax rate; mainly attributable to the reversal of deferred tax liabilities provided for in the prior years.

B6. STATUS OF CORPORATE PROPOSALS

There is no corporate proposal announced but not completed as at the date of this interim financial report.

B7. UTILISATION OF PROCEEDS

As at 31 December 2025, the status of utilisation for the gross proceeds of approximately RM40.08 million from the Initial Public Offering ("**IPO**") (further details as disclosed in EPB's Prospectus dated 27 June 2024 which is available on Bursa Securities) is as follows: -

Details of utilisation[(1)]	**Proposed utilisation**		**Actual utilisation**	**Deviation**	**Balance sum to be utilised**	**Estimated timeframe for utilisation from the date of listing**
	RM'000	**%**	**RM'000**	**RM'000**	**RM'000**	
Factory expansion: -						
(a) Acquisition of land	13,000	32.43	13,000	-	-	Within 12 months
(b) Construction of factory	10,500	26.20	4,370	-	6,130	Within 36 months
(c) Purchase of machinery	1,100	2.74	248	-	852	Within 36 months
Repayment of bank borrowings	3,000	7.49	3,000	-	-	Within 6 months
Working capital	8,479	21.16	8,479	-	-	Within 12 months
Estimated listing expenses	4,000	9.98	4,000	-	-	Within 3 months
Total	**40,079**	**100.00**	**33,097**	**-**	**6,982**	

Note: -
(1) The utilisation of the proceeds as disclosed above should be read in conjunction with EPB's Prospectus dated 27 June 2024.

B8. BANK BORROWINGS

The Group's bank borrowings as at 31 December 2025 are as follows: -

	Short Term (within 12 months) **RM'000**	**Long Term** (over 12 months) **RM'000**	**Total RM'000**
Term loans:			
– secured and guaranteed	436	8,939	9,375
– unsecured but guaranteed	-	-	-
Total bank borrowings	**436**	**8,939**	**9,375**

All the bank borrowings are denominated in Ringgit Malaysia (RM), and obtained from financial institutions based in Malaysia.

B9. EARNINGS PER SHARE ("EPS")

Basic and Diluted EPS

	Individual quarter		Cumulative quarter	
	Current quarter ended 31-Dec-25	Comparative quarter ended 31-Dec-24	Current year-to-date ended 31-Dec-25	Comparative year-to-date ended 31-Dec-24
PAT attributable to owners of the Company (RM'000)	4,825	2,790	13,738	9,786
Weighted average number of ordinary shares in issue ('000)	372,000	372,000	372,000	326,047
Basic/Diluted EPS(1)(2) (sen)	**1.30**	**0.75**	**3.69**	**3.00**

Notes: -

(1) Basic EPS are computed based on PAT attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period/year under review.

(2) Diluted EPS is equivalent to basic EPS as the Group does not have any convertible securities as at the end of the 31 December 2025/31 December 2024.

B10. CHANGES IN MATERIAL LITIGATION

As at the date of this interim report, there is no litigation or arbitration which has a material effect on the financial position of the Group; and the Board of Directors of the Company is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

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B11. DISCLOSURE ON SELECTED (INCOME)/EXPENSE ITEMS

Included in PBT comprised the following (income)/expense items: -

	Individual quarter		Cumulative period	
	Current quarter ended 31-Dec-25 RM'000	**Comparative quarter ended 31-Dec-24 RM'000**	**Current year-to-date ended 31-Dec-25 RM'000**	**Comparative year-to-date ended 31-Dec-24 RM'000**
Profit before taxation is stated after charging/(crediting): -				
Amortisation of intangible assets	21	3	48	10
Bad debts recovered	-	-	-	(66)
Bad debts written off	-	-	-	193
Deposit paid forfeited	-	4	-	4
Deposits received forfeited	-	(20)	(50)	(20)
Depreciation of: -				
• Property, plant and equipment	265	268	1,064	1,088
• Rights-of-use assets	331	131	720	528
Directors' salaries and allowances	818	821	2,559	2,209
Gain on disposal of property, plant and equipment - net	-	*	(88)	(1)
Interest income	(306)	(378)	(1,038)	(753)
Interest expenses	(175)	32	52	173
Loss/(Gain) on foreign exchange: -				
• Realised - net	(230)	(6)	627	413
• Unrealised - net	795	(567)	593	383
Net additional/(reversal) of allowance for impairment loss on trade receivables	453	(61)	1,164	(1,719)
Property, plant and equipment written off	*	-	*	1
Rental income	(2)	(1)	(5)	(5)
Short term and low value leases: -				
• Rental of premises	54	45	212	138
• Rental of plant, machinery and equipment	66	29	161	55
• Rental of office equipment	-	(4)	*	3
• Rental of motor vehicle	12	*	30	*
Write-down in value of inventories - net	42	49	182	212

Note: -
* Less than RM1,000.

B12. FINANCIAL INSTRUMENTS

Derivatives

The Group does not have any derivative financial instruments for the current quarter and year-to-date under review.

Disclosures of Gain/Losses arising from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of the financial liabilities reported by the Group for the current quarter and year-to-date under review.

By Order of the Board

25 February 2026