ES CERAMICS TECHNOLOGY BHD

Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 AUGUST 2025

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31-Aug-25	CORRESPONDING QUARTER ENDED 31-Aug-24	CURRENT YEAR TO DATE ENDED 31-Aug-25	CORRESPONDING YEAR TO DATE ENDED 31-Aug-24
	RM	RM	RM	RM
Revenue	131,769,898	117,750,895	131,769,898	117,750,895
Operating profit/(loss)	8,582,822	5,287,413	8,582,822	5,287,413
Finance costs	(420,383)	(389,821)	(420,383)	(389,821)
Depreciation and amortisation	(2,760,147)	(2,326,211)	(2,760,147)	(2,326,211)
Interest income	487,627	472,048	487,627	472,048
Profit/(Loss) before taxation	5,889,919	3,043,429	5,889,919	3,043,429
Taxation	(1,714,962)	(730,434)	(1,714,962)	(730,434)
Profit/(Loss) for the period	4,174,957	2,312,995	4,174,957	2,312,995
Other comprehensive income :				
Foreign exchange translation difference	220,844	201,490	220,844	201,490
Total comprehensive income for the period	4,395,801	2,514,485	4,395,801	2,514,485
Profit/(Loss) Attributable to :				
Equity holders of the parent	4,174,957	2,312,995	4,174,957	2,312,995
Non-Controlling Interest	-	-	-	-
	4,174,957	2,312,995	4,174,957	2,312,995
Total comprehensive income attributable to:				
Equity holders of the parent	4,395,801	2,514,485	4,395,801	2,514,485
Non-Controlling Interest	-	-	-	-
	4,395,801	2,514,485	4,395,801	2,514,485
Earnings per share (sen)				
- Basic	0.59	0.34	0.59	0.34
- Diluted	0.59	0.34	0.59	0.34

(The condensed consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2025)

ES CERAMICS TECHNOLOGY BHD

Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2025

	AS AT 31-Aug-25 (UNAUDITED)	AS AT 31-May-25 (AUDITED)
	RM	RM
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	69,296,733	69,302,059
Right-Of-Use Assets	32,044,358	32,774,870
Investment Properties	8,041,420	8,070,634
Goodwill	11,673,895	11,673,895
Intangible Assets	4,214	5,613
	121,060,620	121,827,071
Current Assets		
Inventories	11,078,091	10,536,428
Trade & Other Receivables	137,980,798	129,775,073
Current Tax Asset	3,628,693	3,782,148
Cash and Cash Equivalents	84,881,607	76,539,919
	237,569,189	220,633,568
TOTAL ASSETS	358,629,809	342,460,639
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Share Capital	85,636,509	85,636,509
Share Option Reserve	505,289	505,289
Capital Reserve	715,680	715,680
Exchange Reserve	5,609,570	5,388,726
Retained Profit	108,958,673	104,783,716
	201,425,721	197,029,920
Non-controlling interest	40	40
TOTAL EQUITY	201,425,761	197,029,960
LIABILITIES		
Non-Current Liabilities		
Lease Liabilities	2,996,211	3,395,370
Employee Benefit Obligation	47,237	47,056
Bank Borrowings	24,251,368	25,024,886
Provision for restoration cost	275,737	273,205
Deferred Taxation	5,889,915	5,889,915
	33,460,468	34,630,432
Current Liabilities		
Trade and Other Payables	111,288,143	98,751,843
Contract Liabilities	4,202,589	5,204,512
Lease Liabilities	2,558,900	2,498,862
Bank Borrowings	3,731,999	3,791,806
Current Tax Payable	1,961,949	553,224
	123,743,580	110,800,247
TOTAL LIABILITIES	157,204,048	145,430,679
TOTAL EQUITY AND LIABILITIES	358,629,809	342,460,639
Net assets per share attributable to ordinary equity holders of the parent (sen)	28	28

(The condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2025)

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Owners of the Parent						
	Share Capital	**Share Option Reserve**	**Capital Reserve**	**Exchange Reserve**	**Retained Profits**	**Non Controlling Interest**	**Total Equity**
	RM	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Balance at 1 Jun 2025	85,636,509	505,289	715,680	5,388,726	104,783,716	40	197,029,960
Share-based payment transactions							-
Issuance of shares							-
ESOS exercised							-
Total comprehensive income for the period			-	220,844	4,174,957		4,395,801
Dividends paid							-
At acquisition of subsidiary							-
Balance at 31 August 2025	85,636,509	505,289	715,680	5,609,570	108,958,673	40	201,425,761

For the Corresponding Quarter Ended 31 August 2024

	Attributable to Owners of the Parent					
	Share Capital	**Share Option Reserve**	**Capital Reserve**	**Exchange Reserve**	**Retained Profits**	**Total Equity**
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
Balance at 1 Jun 2024	80,156,259	1,172,250	715,680	4,829,854	98,341,240	185,215,283
Share-based payment transactions		-				-
Issuance of shares						-
ESOS exercised	148,500		-			148,500
Total comprehensive income for the period				201,490	2,312,995	2,514,485
Dividends paid						-
At acquisition of subsidiary						-
Balance at 31 August 2024	80,304,759	1,172,250	715,680	5,031,344	100,654,235	187,878,268

(The condensed consolidated Statement of changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2025)

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	CURRENT YEAR ENDED 31-Aug-25	PRECEDING YEAR ENDED 31-Aug-24
	RM	RM
Cash flows from operating activities		
Profit before taxation	5,889,919	3,043,429
Adjustments for :-		
Depreciation, amortisation and impairment losses	2,760,147	2,326,211
Interest income and expenses	(67,244)	(82,227)
Other non-cash items	1,500,000	911,387
Operating profit before changes in working capital	10,082,822	6,198,800
Changes in working capital:		
Net change in contract liabilities	(1,001,923)	(1,399,977)
Net change in inventories	(541,663)	(1,255,132)
Net change in receivables	(8,205,725)	(15,911,490)
Net change in payables	10,330,602	10,881,550
Cash flow from operations	10,664,113	(1,486,249)
Finance costs	(420,383)	(389,821)
Income tax refunded/(paid)	(37,791)	(571,886)
Net cash flows from operating activities	10,205,939	(2,447,956)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,287,187)	(2,988,031)
Interest income	487,627	472,048
Proceeds from disposal of property, plant and equipment	50,000	39,450
Net cash used in investing activities	(749,560)	(2,476,533)
Cash flows from financing activities		
Dividends paid	-	(3,356,947)
Drawdown / (Repayment) of bank borrowings	(422,292)	1,225,364
Drawdown / (Repayment) of term loan	(411,033)	(510,695)
Issuance of shares pursuant to exercise of share options	-	148,500
Drawdown / (Repayment) of lease liabilities	(339,121)	(374,164)
Net cash flows from financing activities	(1,172,446)	(2,867,942)
Net increase / (decrease) in cash and cash equivalents	8,283,933	(7,792,431)
Cash and cash equivalents at beginning of the year	75,321,981	85,011,233
Effect of changes in foreign exchange rates	54,241	(330,852)
Cash and cash equivalents at end of period	83,660,155	76,887,950
Cash and cash equivalents	*84,881,607*	*78,060,461*
Term Deposit	*(1,221,452)*	*(1,172,511)*
	83,660,155	*76,887,950*

(The condensed consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2025)

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 AUGUST 2025

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

A1. Basis of Preparation

The interim financial reports are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134 ("MFRS 134") "Interim Financial Reporting" and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) for the ACE Market **("ACE"**).

The interim financial report should be read in conjunction with the latest audited financial statements of ES Ceramics Technology Bhd (**"ESCTB"** or the **"Company"**) and its subsidiaries (**"Group"**) for the financial year ended 31 May 2025.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 May 2025, except for the adoption of the following new Malaysian Financial Reporting Standards ("MFRS") and IC Interpretations ("IC Int.") that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

Management foresees that the initial application of the above MFRSs will not have any significant impacts on the financial statements of the Group and of the Company.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditor's report on the financial statements of ESCTB for the financial year ended 31 May 2025 was not subject to any audit qualification.

A3. Seasonal or Cyclical Factors

The results of the Group were not materially affected by any seasonal or cyclical factors during the current quarter under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current quarter under review.

A5. Material Changes in Estimates

There were no changes in estimates that have a material effect on the current quarter's results.

A6. Debts and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review.

A7. Dividend paid

There were no dividends paid for the current quarter under review.

A8. Segmental Reporting

RESULTS FOR THE QUARTER ENDED

	Manufacturing		Building Materials		Total	
	31.08.2025	31.08.2024	31.08.2025	31.08.2024	31.08.2025	31.08.2024
Revenue	4,579,952	7,449,417	127,189,946	110,301,478	131,769,898	117,750,895
Profit/(Loss) Before Tax	-1,170,930	117,094	7,060,849	2,926,335	5,889,919	3,043,429

RESULTS FOR THE YEAR-TO-DATE ENDED

	Manufacturing		Building Materials		Total	
	31.08.2025	31.08.2024	31.08.2025	31.08.2024	31.08.2025	31.08.2024
Revenue	4,579,952	7,449,417	127,189,946	110,301,478	131,769,898	117,750,895
Profit/(Loss) Before Tax	-1,170,930	117,094	7,060,849	2,926,335	5,889,919	3,043,429

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

A10. Material Events Subsequent To the End of the Quarter

There are no material events subsequent to the current quarter that have not been reflected in this quarterly report.

A11. Changes in the Composition of the Group

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

A12. Contingent Assets or Liabilities

There were no contingent assets or contingent liabilities for the current quarter under review.

A13. Capital Commitments

There were no material capital commitments for the current quarter under review.

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B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	1st Quarter		Variance	Year-To-Date Ended		Variance
	31-Aug-25 (RM)	31-Aug-24 (RM)	%	31-Aug-25 (RM)	31-Aug-24 (RM)	%
Revenue						
-Manufacturing	4,579,952	7,449,417	-38.52%	4,579,952	7,449,417	-38.52%
-Building Materials	127,189,946	110,301,478	15.31%	127,189,946	110,301,478	15.31%
	131,769,898	117,750,895	11.91%	131,769,898	117,750,895	11.91%
Operating Profit/(Loss)	8,582,822	5,287,413	62.33%	8,582,822	5,287,413	62.33%
Profit/(Loss) Before Interest and Tax	6,310,302	3,433,250	83.80%	6,310,302	3,433,250	83.80%
Profit/(Loss) Before Tax						
-Manufacturing	-1,170,930	117,094	-1099.99%	-1,170,930	117,094	-1099.99%
-Building Materials	7,060,849	2,926,335	141.29%	7,060,849	5,889,919	19.88%
	5,889,919	3,043,429	93.53%	5,889,919	3,043,429	93.53%
Profit/(Loss) After Tax	4,174,957	2,312,995	80.50%	4,174,957	2,312,995	80.50%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	4,174,957	2,312,995	80.50%	4,174,957	2,312,995	80.50%

Review of results for the quarter & financial year

For the current quarter ended 31 August 2025, the Group registered a revenue of RM131.77 million, represents an increase of 11.91% as compared to revenue of RM117.75 million for the corresponding quarter of the preceding year. The higher revenue was mainly contributed by an increase of 15.31% in the building materials division and partially offset by a 38.52% drop in revenue in the manufacturing division.

The Group achieved a profit before taxation of RM5.89 million, reflecting increase of 93.53% as compared to a profit before tax RM3.04 million recorded in the corresponding quarter of the preceding year.

Manufacturing division registered a loss before tax of RM1.17 million against a profit before tax of RM0.12 million for the same period of the preceding year. The decrease was in line with the drop in revenue, increase in operating costs and variance in products mix.

Building materials division current quarter profit before tax of RM7.06 million has increased by 141.29% as compared to the corresponding quarter of the preceding year. The increase in profit before tax was in tandem with the increase in revenue due to higher sales volume.

B2. Comparison with Preceding Quarter's Results

	Current Quarter 31.08.2025 RM	Immediate preceding Quarter 31.05.2025 RM	Changes %
Revenue			
-Manufacturing	4,579,952	7,726,231	-40.72%
-Building Materials	127,189,946	111,936,826	13.63%
	131,769,898	119,663,057	10.12%
Operating Profit	8,582,822	8,581,773	0.01%
Profit Before Interest and Tax	6,310,302	5,853,057	7.81%
Profit/(Loss) Before Tax			
-Manufacturing	-1,170,930	4,673,916	-125.05%
-Building Materials	7,060,849	700,413	908.10%
	5,889,919	5,374,329	9.59%
Profit After Tax	4,174,957	2,109,921	97.87%
Profit Attributable to Ordinary Equity Holders of the Parent	4,174,957	2,109,921	97.87%

Revenue registered in the current quarter of RM131.77 million representing an increase of 10.12% as compared to the revenue of RM119.66 million recorded in the immediate preceding quarter. The revenue was mainly contributed by an increase of 13.63% in the building materials division and partially offset by a 40.72% drop in revenue in the manufacturing division.

The Group's current quarter recorded profit before tax of RM5.89 million as compared to a profit before tax of RM5.37 million in the immediate preceding quarter. The increase in profit before taxation was in tandem with the increase in revenue, lower plant setup cost and impairment loss on receivables in the building materials division. However, the manufacturing division recorded a loss before tax of RM1.17 million due to lower revenue as well as higher operating cost.

B3. Commentary on Prospect for the Current Financial Year

The building materials division is shifting its focus from garnering of more orders to the execution of orders in hand with a view to improving margins amidst rising costs from the supply chain and managing its business and credit risks in ensuring sustainability as far as preserving healthy cash flow is concerned. In addition, more efforts are spent on entrenching our market presence in the southern state of Johor which is currently experiencing a boom in its property market brought about by the anticipated inter-connectivity between Johor and Singapore via the under-construction RTS link project and the establishment of Johor-Singapore Special Economic Zone in Johor's Iskandar region.

For manufacturing division, the over capacity position in the glove industry remains while pricing competition is stiff. The minimum wages adjustments and subsidy rationalisation are also expected to impact our cost structure. In response, the Group will continue to focus on prudent procurement, cost optimization and operational efficiency initiatives to counter the ever challenging period of uncertainty. Efforts will also be made to manage and maintain healthy cash flow and strong balance sheet to ensure sustainable operations.

Despite the prevailing challenges, the Group remains cautiously optimistic on its medium to long-term business prospects and will continue to actively pursue various business strategies to increase its revenue, strengthening product portfolios, enhancement of supply chain security, focusing on reducing redundancy, improving operational efficiency and automation across our operations and via implementing cost control measures to maintain our competitiveness during this challenging time.

B4. Variance of Actual and Forecast Profit

The Group has not provided any profit forecast and therefore no variance information is available for presentation.

B5. Taxation

	Current quarter 31.08.2025	Current year to date 31.08.2025
	RM	RM
Current year	1,714,962	1,714,962
Deferred taxation	-	-

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period.

The effective tax rate of the Group's current tax charge for the period was lower than the statutory tax rate mainly due to tax incentives enjoyed by subsidiary companies.

B6. Status of Corporate Proposals

There was no other corporate proposal announced but not completed as at the date of this report.

B7. Borrowings and Debt Securities

The Group's borrowings as at 31 August 2025 are as follows:

	At end of current quarter 31 August 2025 (RM)		
	Short term Borrowings	Long term borrowings	Total Borrowings
Secured:			
Lease Liability	2,558,900	2,996,211	5,555,111
Hire Purchase	2,175,915	5,876,281	8,052,196
Term Loan	1,556,084	18,375,087	19,931,171
	6,290,899	27,247,579	33,538,478

B8. Derivative Financial Instruments

The Group does not have any derivative financial instruments as at the date of this report.

B9. Material Litigation

There was no material litigation against the Group as at the reporting date.

B10. Dividend

No interim dividend has been declared for the current quarter under review.

B11. Earnings Per Share

	Current Quarter Ended 31.08.25	Current Year To Date 31.08.25
Net profit/(loss) attributable to owner of the Company (RM'000)	4,175	4,175
Weighted average number of ordinary shares in issue ('000)	707,114	707,114
Basic earnings per share (sen)	0.59	0.59
Weighted average number of ordinary shares diluted ('000)	707,128	707,128
Diluted earnings per share (sen)	0.59	0.59

For the diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

B12. Profit Before Taxation

	Current Quarter 31.08.25 RM'000	Current Year To Date 31.08.25 RM'000
Profit before taxation is arrived at after charging/(crediting):		
Interest income	(488)	(488)
Other income including investment income	-	-
Interest expense	420	420
Depreciation and amortization	2,760	2,760
Provision for and write off of receivables	1,500	1,500
Provision for and write off of inventories	-	-
(Gain)/loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange (gain)/loss	45	45
(Gain)/loss on derivatives	-	-
(Gain)/loss on settlement of contingent consideration payable	-	-