ES CERAMICS TECHNOLOGY BHD

Registration No: 200301024697 (627117-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 NOVEMBER 2025

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 30-Nov-25	CORRESPONDING QUARTER ENDED 30-Nov-24	CURRENT YEAR TO DATE ENDED 30-Nov-25	CORRESPONDING YEAR TO DATE ENDED 30-Nov-24
	RM	RM	RM	RM
Revenue	98,889,497	121,567,617	230,659,395	239,318,512
Operating profit/(loss)	4,967,994	3,427,101	13,550,816	8,714,514
Finance costs	(398,501)	(408,667)	(818,884)	(798,488)
Depreciation and amortisation	(2,849,667)	(2,330,397)	(5,609,814)	(4,656,608)
Interest income	467,157	497,865	954,784	969,913
Profit/(Loss) before taxation	2,186,983	1,185,902	8,076,902	4,229,331
Taxation	(888,125)	(225,760)	(2,603,087)	(956,194)
Profit/(Loss) for the period	1,298,858	960,142	5,473,815	3,273,137
Other comprehensive income :				
Foreign exchange translation difference	(5,367)	(19,510)	215,477	181,980
Total comprehensive income for the period	1,293,491	940,632	5,689,292	3,455,117
Profit/(Loss) Attributable to :				
Equity holders of the parent	1,298,858	960,142	5,473,815	3,273,137
Non-Controlling Interest	-	-	-	-
	1,298,858	960,142	5,473,815	3,273,137
Total comprehensive income attributable to:				
Equity holders of the parent	1,293,491	940,632	5,689,292	3,455,117
Non-Controlling Interest	-	-	-	-
	1,293,491	940,632	5,689,292	3,455,117
Earnings per share (sen)				
- Basic	0.18	0.14	0.77	0.46
- Diluted	0.18	0.14	0.77	0.46

(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 30 NOVEMBER 2025

	AS AT 30-Nov-25 (UNAUDITED)	AS AT 31-May-25 (AUDITED)
	RM	RM
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	68,629,462	69,302,059
Right-Of-Use Assets	31,403,803	32,774,870
Investment Properties	8,012,206	8,070,634
Goodwill	11,673,895	11,673,895
Intangible Assets	2,810	5,613
	119,722,176	121,827,071
Current Assets		
Inventories	11,200,996	10,536,428
Trade & Other Receivables	115,122,825	129,775,073
Current Tax Asset	3,653,773	3,782,148
Cash and Cash Equivalents	78,738,081	76,539,919
	208,715,675	220,633,568
TOTAL ASSETS	328,437,851	342,460,639
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Share Capital	85,636,609	85,636,509
Share Option Reserve	505,289	505,289
Capital Reserve	715,680	715,680
Exchange Reserve	5,604,203	5,388,726
Retained Profit	110,257,531	104,783,716
	202,719,312	197,029,920
Non-controlling interest	-	40
TOTAL EQUITY	202,719,312	197,029,960
LIABILITIES		
Non-Current Liabilities		
Lease Liabilities	2,340,768	3,395,370
Employee Benefit Obligation	47,237	47,056
Bank Borrowings	24,419,968	25,024,886
Provision for restoration cost	278,232	273,205
Deferred Taxation	5,889,915	5,889,915
	32,976,120	34,630,432
Current Liabilities		
Trade and Other Payables	79,620,922	98,751,843
Contract Liabilities	4,284,516	5,204,512
Lease Liabilities	2,558,900	2,498,862
Bank Borrowings	3,731,999	3,791,806
Current Tax Payable	2,546,082	553,224
	92,742,419	110,800,247
TOTAL LIABILITIES	125,718,539	145,430,679
TOTAL EQUITY AND LIABILITIES	328,437,851	342,460,639
Net assets per share attributable to ordinary equity holders of the parent (sen)	29	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 RM	Share Option Reserve RM	Capital Reserve RM	Exchange Reserve RM	Retained Profits RM	Non Controlling Interest RM	Total Equity 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 perio	100		-	215,477	5,473,815	(40)	5,689,352
Dividends paid							-
At acquisition of subsidiary							-
Balance at 30 November 2025	85,636,609	505,289	715,680	5,604,203	110,257,531	-	202,719,312

For the Corresponding Quarter Ended 30 November 2024

	Attributable to Owners of the Parent					
	Share Capital RM	Share Option Reserve RM	Capital Reserve RM	Exchange Reserve RM	Retained Profits RM	Total Equity 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				181,980	3,273,137	3,455,117
Dividends paid						-
At acquisition of subsidiary						-
Balance at 30 November 2024	80,304,759	1,172,250	715,680	5,011,834	101,614,377	188,818,900

(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 30 NOVEMBER 2025

	CURRENT YEAR ENDED 30-Nov-25	PRECEDING YEAR ENDED 30-Nov-24
	RM	RM
Cash flows from operating activities		
Profit before taxation	8,076,902	4,229,331
Adjustments for :-		
Depreciation, amortisation and impairment losses	5,609,814	4,656,608
Interest income and expenses	(135,900)	(171,425)
Other non-cash items	1,658,153	911,387
Operating profit before changes in working capital	15,208,969	9,625,901
Changes in working capital:		
Net change in contract liabilities	(919,996)	(1,249,799)
Net change in inventories	(664,568)	(1,111,947)
Net change in receivables	11,084,076	(26,738,622)
Net change in payables	(19,130,921)	16,606,658
Cash flow from operations	5,577,560	(2,867,809)
Finance costs	(818,884)	(798,488)
Income tax refunded/(paid)	(348,783)	(1,154,667)
Net cash flows from operating activities	4,409,893	(4,820,964)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,833,687)	(2,988,031)
Interest income	954,784	969,913
Proceeds from disposal of property, plant and equipment	272,800	109,995
Net cash used in investing activities	(606,103)	(1,908,123)
Cash flows from financing activities		
Dividends paid	-	(3,356,947)
Drawdown / (Repayment) of bank borrowings	166,378	1,560,862
Drawdown / (Repayment) of term loan	(831,103)	(918,515)
Issuance of shares pursuant to exercise of share options	-	148,500
Drawdown / (Repayment) of lease liabilities	(994,564)	(691,983)
Net cash flows from financing activities	(1,659,289)	(3,258,083)
Net increase / (decrease) in cash and cash equivalents	2,144,501	(9,987,170)
Cash and cash equivalents at beginning of the year	75,321,981	85,011,233
Effect of changes in foreign exchange rates	50,147	(330,852)
Cash and cash equivalents at end of period	77,516,629	74,693,211
Cash and cash equivalents	*78,738,081*	*75,895,049*
Term Deposit	*(1,221,452)*	*(1,201,838)*
	77,516,629	*74,693,211*

(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 SECOND QUARTER ENDED 30 NOVEMBER 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

<u>RESULTS FOR THE QUARTER ENDED</u>

	Manufacturing		Building Materials		Total	
	30.11.2025	30.11.2024	30.11.2025	30.11.2024	30.11.2025	30.11.2024
Revenue	5,067,683	9,358,215	93,821,814	112,209,402	98,889,497	121,567,617
Profit/(Loss) Before Tax	-1,549,748	318,061	3,736,731	867,841	2,186,983	1,185,902

RESULTS FOR THE YEAR-TO-DATE ENDED

	Manufacturing		Building Materials		Total	
	30.11.2025	30.11.2024	30.11.2025	30.11.2024	30.11.2025	30.11.2024
Revenue	9,647,635	16,807,632	221,011,760	222,510,880	230,659,395	239,318,512
Profit/(Loss) Before Tax	-2,720,677	435,155	10,797,579	3,794,176	8,076,902	4,229,331

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

	2nd Quarter		Variance	Year-To-Date Ended		Variance
	30-Nov-25 (RM)	30-Nov-24 (RM)	%	30-Nov-25 (RM)	30-Nov-24 (RM)	%
Revenue						
-Manufacturing	5,067,683	9,358,215	-45.85%	9,647,635	16,807,632	-42.60%
-Building Materials	93,821,814	112,209,402	-16.39%	221,011,760	222,510,880	-0.67%
	98,889,497	121,567,617	-18.65%	230,659,395	239,318,512	-3.62%
Operating Profit/(Loss)	4,967,994	3,427,101	44.96%	13,550,816	8,714,514	55.50%
Profit/(Loss) Before Interest and Tax	2,585,484	1,594,569	62.14%	8,895,786	5,027,819	76.93%
Profit/(Loss) Before Tax						
-Manufacturing	-1,549,748	318,061	-587.25%	-2,720,677	435,155	-725.22%
-Building Materials	3,736,731	867,841	330.58%	10,797,579	3,794,176	184.58%
	2,186,983	1,185,902	84.42%	8,076,902	4,229,331	90.97%
Profit/(Loss) After Tax	1,298,858	960,142	35.28%	5,473,815	3,273,137	67.23%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	1,298,858	960,142	35.28%	5,473,815	3,273,137	67.23%

Review of results for the quarter

For the current quarter ended 30 November 2025, the Group registered a revenue of RM98.89 million, represents a decrease of 18.65% as compared to revenue of RM121.57 million for the corresponding quarter of the preceding year.

The Group achieved a profit before taxation of RM2.19 million, reflecting increase of 84.42% as compared to a profit before tax RM1.19 million recorded in the corresponding quarter of the preceding year.

Manufacturing division registered a loss before tax of RM1.55 million against a profit before tax of RM0.32 million for the same period of the preceding year. The loss was mainly due to the drop in revenue.

Building materials division current quarter profit before tax of RM3.74 million has increased by 330.58% as compared to the corresponding quarter of the preceding year. Despite decline in revenue, profit before tax increased significantly due to operations and cost efficiency through deployment of technology which resulted in improved product's margin.

Review of results for the financial year

The Group generated total revenue of RM230.66 million which represents a slight decrease of 3.62% as compared to RM239.32 million achieved in the corresponding period of the preceding year.

The Group recorded a profit before tax of approximately RM8.08 million which represents an increase of 90.97% as compared to a profit before tax of approximately RM4.23 million registered in the corresponding period of the preceding year.

The building materials division continued to be the Group's main revenue and profit contributor. Despite a slight decline in revenue, its profit before tax increased significantly to RM10.80 million as compared with the corresponding period of the preceding year of RM3.79 million as mentioned above.

The manufacturing division recorded a loss before tax of RM2.72 million compared with a profit before tax of RM0.44 million in the corresponding period of the preceding year due to reason as mentioned above.

B2. Comparison with Preceding Quarter's Results

	Current Quarter 30.11.2025 RM	Immediate preceding Quarter 31.08.2025 RM	Changes %
Revenue			
-Manufacturing	5,067,683	4,579,952	10.65%
-Building Materials	93,821,814	127,189,946	-26.23%
	98,889,497	131,769,898	-24.95%
Operating Profit	4,967,994	8,582,822	-42.12%
Profit Before Interest and Tax	2,585,484	6,310,302	-59.03%
Profit/(Loss) Before Tax			
-Manufacturing	-1,549,748	-1,170,930	32.35%
-Building Materials	3,736,731	7,060,849	-47.08%
	2,186,983	5,889,919	-62.87%
Profit After Tax	1,298,858	4,174,957	-68.89%
Profit Attributable to Ordinary Equity Holders of the Parent	1,298,858	4,174,957	-68.89%

Revenue registered in the current quarter of RM98.89 million representing a decrease of 24.95% as compared to the revenue of RM131.77 million recorded in the immediate preceding quarter.

The Group's current quarter recorded profit before tax of RM2.19 million as compared to a profit before tax of RM5.89 million in the immediate preceding quarter. The decrease in profit before tax was in tandem with the decrease in revenue registered during the period.

B3. Commentary on Prospect for the Current Financial Year

The building materials division is focusing on execution of orders in hand while garnering more orders amidst rising costs from the supply chain and managing its business and credit risks in ensuring sustainability in preserving healthy cash flow. 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 30.11.2025	**Current year to date 30.11.2025**
	RM	**RM**
Current year	888,125	2,603,087
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 higher than the statutory tax rate mainly due to losses incurred by the manufacturing division not being able to offset against the profit from building materials division.

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 30 November 2025 are as follows:

	At end of current quarter 30 November 2025 (RM)		
	Short term Borrowings	**Long term borrowings**	**Total Borrowings**
Secured:			
Lease Liability	2,558,900	2,340,768	4,899,668
Hire Purchase	2,175,915	6,464,951	8,640,866
Term Loan	1,556,084	17,955,017	19,511,101
	6,290,899	26,760,736	33,051,635

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 30.11.25	Current Year To Date 30.11.25
Net profit/(loss) attributable to owner of the Company (RM'000)	1,299	5,474
Weighted average number of ordinary shares in issue ('000)	707,114	707,114
Basic earnings per share (sen)	0.18	0.77
Weighted average number of ordinary shares diluted ('000)	707,128	707,128
Diluted earnings per share (sen)	0.18	0.77

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 30.11.25 RM'000	Current Year To Date 30.11.25 RM'000
Profit before taxation is arrived at after charging/(crediting):		
Interest income	(467)	(955)
Other income including investment income	-	-
Interest expense	399	819
Depreciation and amortization	2,850	5,610
Provision for and write off of receivables	158	1,658
(Gain)/loss on disposal of fixed assets	(148)	(598)
Foreign exchange (gain)/loss	18	63