MTAG GROUP BERHAD

(Incorporated in Malaysia)

Unaudited Financial Statements
For the Financial Period Ended
31 December 2025

MTAG GROUP BERHAD
Registration No (201801000029) (1262041-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 DECEMBER 2025(1)

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025 RM'000 Unaudited	31.12.2024 RM'000 Unaudited	31.12.2025 RM'000 Unaudited	31.12.2024 RM'000 Unaudited
Revenue	14,522	18,131	29,669	38,585
Cost of sales	(9,791)	(12,478)	(20,430)	(25,374)
Gross profit ("GP")	**4,731**	**5,653**	**9,239**	**13,211**
Other income	1,029	1,447	2,577	1,991
Selling and distribution expense	(423)	(648)	(933)	(1,221)
Administrative expenses	(2,252)	(2,045)	(4,920)	(6,006)
Finance costs	(21)	(16)	(30)	(41)
Profit before tax ("PBT")	**3,064**	**4,391**	**5,933**	**7,934**
Tax expenses	(700)	(1,244)	(1,160)	(2,098)
Profit after tax ("PAT")	**2,364**	**3,147**	**4,773**	**5,836**
Profit for the financial period attributable to:				
Owners of the Company	2,364	3,147	4,773	5,836
	2,364	3,147	4,773	5,836
Other comprehensive income/(loss), net of tax: -				
Items that will not be reclassified subsequently to profit or loss				
Realisation of revaluation reserve upon depreciation of revalued assets	47	94	94	94
Transfer of revaluation reserve to unappropriated profit	(47)	(94)	(94)	(94)
	-	-	-	-
Total comprehensive income for the financial period attributable to:				
Owners of the Company	2,364	3,147	4,773	5,836
	2,364	3,147	4,773	5,836
Basic/Diluted earnings per ordinary share (sen) attributable to the owners of the Company(2)	0.35	0.46	0.70	0.85

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with accompanying explanatory notes attached to this financial report.

(2) Basic EPS for ended 31 December 2025 is computed based on profit attributable to owners of MTAG Group Berhad divided by the weighted average number of ordinary shares in issue of 679,248,747 shares (31 December 2024-681,077,400).

(3) Diluted EPS for the Company for is equivalent to the basic EPS as the Company does not have any convertible securities as at the end of the reporting period.

MTAG GROUP BERHAD
Registration No (201801000029) (1262041-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (1)

	Note	Unaudited As at 31.12.2025 RM'000	Audited As at 30.06.2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		34,840	34,164
Investment property		30,780	17,780
Total non-current assets		**65,620**	**51,944**
Current assets			
Inventories		7,837	7,570
Trade receivables		11,856	14,830
Other receivables		800	1,954
Tax recoverable		1,413	2,434
Other investment		125,952	127,457
Fixed deposits with licensed banks		6,834	29,702
Cash and bank balances		12,792	8,579
Total current assets		**167,484**	**192,526**
TOTAL ASSETS		**233,104**	**244,470**
EQUITY AND LIABILITIES			
Equity			
Share capital		146,566	146,566
Treasury Shares		(1,020)	(589)
Merger deficit		(73,775)	(73,775)
Revaluation reserve		6,375	6,469
Exchange translation reserve		(401)	(33)
Unappropriated profit		144,535	139,668
Total equity		**222,280**	**218,306**
Liabilities			
Non-current liabilities			
Lease liabilities		15	149
Deferred tax liabilities		4,607	4,607
Total non-current liabilities		**4,622**	**4,756**
Current liabilities			
Trade payables		4,186	5,467
Other payables		1,722	15,575
Amount due to related parties		-	2
Lease liabilities		164	364
Tax payable		130	-
Total current liabilities		**6,202**	**21,408**
TOTAL LIABILITIES		**10,824**	**26,164**
TOTAL EQUITY AND LIABILITIES		**233,104**	**244,470**
Number of issued shares ('000)		678,138	679,691
NET ASSETS PER SHARE (RM)(2)		0.33	0.32

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 [1] (CONT'D)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 should be read in conjunction with the accompanying explanatory notes attached to this financial report.

(2) Computed based on total equity of MTAG Group Berhad divided by total number of 678,137,800 shares as at 31 December 2025 and 679,691,200 shares as at 30 June 2025.

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MTAG GROUP BERHAD
Registration No (201801000029) (1262041-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 31 DECEMBER 2025[1]

	Attributable to Owners of the Company						
	Non-distributable					Distributable	
	Share capital RM'000	Treasury shares RM'000	Merger deficit RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Unappropriated profit RM'000	Total equity RM'000
As at 1 July 2025	**146,566**	**(589)**	**(73,775)**	**6,469**	**(33)**	**139,668**	**218,306**
Profit for the financial year	-	-	-	-	-	4,773	**4,773**
Other comprehensive income for the financial year	-	-	-	(94)	(368)	94	(368)
Total Comprehensive (loss)/income	**-**	**-**	**-**	**(94)**	**(368)**	**4,867**	**4,405**
Transactions with owners							
Treasury shares acquired	-	(431)	-	-	-	-	**(431)**
Interim dividend	-	-	-	-	-	-	-
	-	**(431)**	-	-	-	-	**(431)**
As at 31 December 2025 (Unaudited)	**146,566**	**(1,020)**	**(73,775)**	**6,375**	**(401)**	**144,535**	**222,280**
As at 1 July 2024	**146,566**	**-**	**(73,775)**	**6,624**	**-**	**140,758**	**220,173**
Profit for the financial year	-	-	-	-	-	12,349	12,349
Other comprehensive income for the financial year	-	-	-	(155)	**(33)**	155	(33)
Total comprehensive (loss)/ income	**-**	**-**	**-**	**(155)**	**(33)**	**12,504**	**12,316**
Transactions with owners							
Treasury shares acquired	-	**(589)**	-	-		-	**(589)**
Interim Dividend	-	-	-	-	-	(13,594)	(13,594)
	-	**(589)**	-	-	-	**(13,594)**	**(14,183)**
As at 30 June 2025 (Audited)	**146,566**	**(589)**	**(73,775)**	**6,469**	**(33)**	**139,668**	**218,306**

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with accompanying explanatory notes attached to this financial report.

MTAG GROUP BERHAD
Registration No (201801000029) (1262041-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2025 [1]

	PERIOD-TO-DATE	
	31.12.2025 RM'000 Unaudited	31.12.2024 RM'000 Unaudited
Cash Flows from Operating Activities		
Profit before tax	**5,933**	**7,934**
Adjustments for:		
Allowance for/(Reversal of) impairment	-	-
Depreciation of investment property	228	-
Depreciation of right-of-use assets	330	238
Depreciation of property, plant and equipment	996	1,336
Gain on disposal of property, plant and equipment	14	40
Interest income	(383)	(642)
Interest expense	18	66
Reversal of Inventories written down	(1)	-
Lease liabilities interest expenses	-	-
Property, plant and equipment written off	-	-
Reversal for impairment loss of inventories	-	-
Dividend income from other investment	-	(2)
Fair value gain on other investment	(1,945)	(2,014)
Unrealised (gain)/loss on foreign exchange	130	211
Operating profit before working capital changes	5,320	7,169
Change in working capital		
Inventories	(266)	3,362
Receivables	6,047	7,712
Payables	(1,672)	(1,751)
	4,109	9,323
Cash generated from operations	9,429	16,492
Tax refunded	-	-
Tax paid	(1,929)	(3,395)
Net cash generated from operating activities	**7,500**	**13,097**
Cash Flows from Investing Activities		
Interest received	383	642
Purchase of property, plant and equipment	(2,016)	(7,945)
Purchase of investment property	(13,563)	-
Proceeds from disposal of property, plant and equipment	-	-
(Placement)/fair value change of other investment	1,945	2,208
(Placement)/withdrawal of fixed deposits with licensed bank	9,955	(3,749)
Net cash used in investing activities	**(3,296)**	**(8,844)**
Cash Flows from Financing Activities		
Lease interest paid	-	-
Interest paid	(18)	(66)
Term loan	-	-
Dividend Paid	(13,594)	-
Treasury shares acquired	(431)	(172)
Proceeds/(Repayment) of term loans	-	(380)
Repayment of bank overdraft	-	-
Proceeds/ (Repayment) of finance lease creditors	(89)	219
Repayment of lease liabilities	(244)	(418)
Net cash used in financing activities	**(14,376)**	**(817)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2025 [(1)](CONT'D)

	PERIOD-TO-DATE	
	31.12.2025 RM'000 Unaudited	31.12.2024 RM'000 Unaudited
Net increase/(decrease) in cash and cash equivalents	(10,172)	3,436
Effect of exchange translation differences on cash and cash equivalents	(33)	-
Cash and cash equivalents at beginning of the financial period	148,949	9,155
Cash and cash equivalents at the end of the financial period	138,744	12,591
Other investment in unit trust	125,952	112,558
Fixed deposits with licensed banks	6,834	29,660
Cash and bank balances	12,792	12,591
	145,578	154,809
Less: Fixed deposits with licensed banks	(6,834)	(29,660)
Less: Other investment in unit trust [(2)]	-	(112,558)
Cash and cash equivalents at the end of the financial period	138,744	12,591

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this financial report.

(2) Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value. Management has adopted a policy to classify fixed deposits with maturity of three months or less from the date of acquisition, as well as investments in money market instruments and deposits, as cash and cash equivalents.

The comparative figures as at 31 December 2024 have not been restated and remain in line with the figures previously reported in the quarterly report.

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A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The condensed consolidated interim financial report of MTAG Group Berhad ("**MTAG**" or "**the Company**") and its subsidiaries (collectively "**the Group**") are unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**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 ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

The accounting standards adopted by the Group in preparation of this condensed consolidated interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 30 June 2025, except for the adoption of the following new MFRSs and amendments to MFRSs have been issued by MASB.

Adoption of new and amended standard and interpretations	Effective dates for financial periods beginning on or after
• Amendments to MFRS 121 The effects of Changes in Foreign Exchange Rates- Lack of Exchangeability	1 January 2025

The adoption of the above new MFRS and amendments/improvements to MFRSs does not have any significant effect on the financial statements of the Group

At the date of authorisation of this interim financial report, the following standards and interpretations were issued but not yet effective and have not been applied by the Group:

Standards and interpretations issued but not yet effective	Effective dates for financial periods beginning on or after
• MFRS 7 and 9 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026

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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A2. Significant accounting policies (cont'd)

Standards and interpretations issued but not yet effective	**Effective dates for financial periods beginning on or after**
• MFRS 7 and 9 Financial Instruments – Contracts Referencing Nature-dependent Electricity	1 January 2026
• MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 – Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
• MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
• MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
• Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
• Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency	1 January 2027
• Amendments to MFRS 10 Consolidated Financial Statement and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact on the Group, except for.

<u>MFRS 18 – Presentation and Disclosure in Financial Statements</u>

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:
• Improved comparability in the statement of profit or loss (income statement)
• Enhanced transparency of management-defined performance measures
• More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group and the Company are currently assessing the impact of this MFRS 18 to determine the impact they will have on the Group's and the Company's financial statements' disclosures.

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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the financial year ended 30 June 2025 was not subject to any audit qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal and cyclical effects during the current financial quarter.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in estimates

There were no material changes in estimates which have a material effect on the results for the current financial quarter.

A7. Debt and equity securities

There were no issuances, cancellations, resales, or repayments of equity securities during the financial quarter under review.

The number of treasury shares held in hand as at 31 December 2025 were as follows:

	Average price per share (RM)	**Number of shares**	**Amount RM'000**
Total treasury shares as at 1 July 2025	0.3059	1,926,200	589
Increase in treasury shares	0.2775	1,553,400	431
Total treasury shares as at 31 December 2025	0.2931	3,479,600	1,020

As at 31 December 2025, the number of outstanding shares in issue with voting rights was 678,137,800 ordinary shares (30 June 2025: 679,691,200 ordinary shares).

A8. Dividends paid

There was no dividend paid during the current financial quarter under review.

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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information

The Group organised into business units based on its products and has 3 reportable segments, as follows:

Operating segments	Business activities
Converting	Printing of labels and stickers and customised converting services
Distribution	Distribution of industrial tapes, adhesives and other products
Investment holding	Investment holding

(a) Analysis of revenue by business segments

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Converting	11,606	14,885	23,156	31,082
Less: intercompany transactions	(233)	(857)	(538)	(651)
Converting (external)	11,373	14,028	22,618	30,431
Distribution	3,149	4,103	7,051	8,154
Investment holding	-	-	-	-
Total	**14,522**	**18,131**	**29,669**	**38,585**

(b) Analysis of revenue by geographical markets

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Northern region	40	60	117	151
Central region	153	146	365	573
Southern region	13,318	15,447	26,811	32,945
Overseas	1,011	2,478	2,376	4,916
Total	**14,522**	**18,131**	**29,669**	**38,585**

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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information (cont'd)

(c) Analysis of segment results, assets and liabilities

	Converting RM'000	**Distribution RM'000**	**Investment holding RM'000**	**Adjustment/ elimination RM'000**	**Total RM'000**
For the period ended 31 December 2025 (Unaudited)					
Results: -					
Revenue	23,156	7,051	-	(538)	29,669
Interest income	163	42	210	(32)	383
Interest expense	(47)	(6)	-	35	(18)
Depreciation of property, plant and equipment	(955)	(41)	-	-	(996)
Depreciation of right-of-use	(476)	(83)	-	229	(330)
Depreciation of investment properties	-	-	(228)	-	(228)
Tax expense	(649)	(487)	(24)	-	(1,160)
Other non-cash income	672	713	210	-	1,595
Rental income from Investment Properties	-	-	598	-	598
Segment profit	2,248	2,392	185	(52)	4,773
Assets					
Segment assets	118,545	59,555	204,426	(150,835)	231,691
Liabilities					
Segment liabilities	6,377	501	12,865	(13,835)	5,908

Note 1: The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position as at 31 December 2025:

	RM '000
Segment assets	231,691
Tax recoverable	1,413
Total assets	233,104

Note 2: The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position as at 31 December 2025:

	RM
Segment liabilities	5,908
Lease liabilities	179
Tax payable	130
Deferred tax liabilities	4,607
Total liabilities	10,824

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information (cont'd)

(c) Analysis of segment results, assets and liabilities (cont'd)

	Converting RM'000	Distribution RM'000	Investment holding RM'000	Adjustments and eliminations RM'000	Total RM'000
For the period ended 31 December 2024 (Unaudited)					
Results: -					
Revenue	31,082	8,154	-	(651)	38,585
Interest income	285	80	277	-	642
Interest expense	(59)	(7)	-	-	(66)
Depreciation of property, plant and equipment	(1,374)	(66)	(123)	227	(1,336)
Depreciation of right-of-use	(238)	-	-	-	(238)
Depreciation of investment properties	-	-		-	-
Tax expense	(1,158)	(885)	(98)	43	(2,098)
Other non-cash income/(expense)	638	572	120	-	1,330
Rental income from Investment Properties	-	-	413	-	413
Segment profit	2,938	2,707	206	(15)	5,836
Assets					
Segment assets	121,315	60,683	193,112	(138,617)	236,493
Liabilities					
Segment liabilities	6,645	760	9,315	(10,009)	6,711

Note 1: The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position as at 31 December 2024:

	RM '000
Segment assets	236,493
Tax recoverable	1,500
Total assets	237,993

Note 2: The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position as at 31 December 2024:

	RM
Segment liabilities	6,711
Lease liabilities	371
Borrowing	219
Deferred tax liabilities	4,855
Total liabilities	12,156

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

A11. Significant event disclosure

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

A12. Changes in contingent liabilities or contingent assets

There were no significant changes in contingent liabilities since the last annual reporting date as at 8 October 2025.

A13. Capital commitments and contingent liabilities

Capital commitments during the current financial quarter under review are as follows: -

	31.12.2025 RM'000	31.12.2024 RM'000
Authorised and contracted for		
Investment property	53,046	9,575
Buildings / Renovation	165	-
Motor Vehicles	65	-
	53,276	9,575

The corporate guarantees are as follows: -

	31.12.2025 RM'000	31.12.2024 RM'000
Unsecured: -		
Corporate guarantees given to licensed financial institutions for credit facilities granted to subsidiary companies – limit	21,315	21,315

Of these corporate guarantees, RM0.785 million has been utilised for the issuance of bank guarantees (2024: RM0.78 million utilised for bank guarantees and RM0.71 million for the equipment financing-i facility).

A14. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial quarter under review.

A15. Related party disclosures

There were no material related party transactions during the current financial quarter under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

(a) Results for current financial quarter performance

	INDIVIDUAL QUARTER ENDED		CHANGES Increase/ (Decrease)	
	31.12.2025 (Q2 2026) RM'000 Unaudited	31.12.2024 (Q2 2025) RM'000 Unaudited	RM'000	%
Revenue	14,522	18,131	(3,609)	(19.9)
Profit Before Tax (PBT)	3,064	4,391	(1,327)	(30.2)

The Group's revenue has decreased by RM3.6 million or 19.9%. to RM14.5 million in Q2 2026 as compared to Q2 2025. The revenue from the converting business segment has decreased by RM2.5 million to RM11.3 million in Q2 2026 as compared to RM13.8 million Q2 2025, mainly due to lower demand from existing customers.

The Group's PBT decreased by RM1.3 million, or 30.2% to RM3.1 million in Q2 2026 as compared to Q2 2025, in tandem with the decrease in revenue and adverse foreign exchange impact from the weaker USD.

B2. Comparison with immediately preceding quarter's results

	INDIVIDUAL QUARTER 3-MONTH ENDED		CHANGES Increase/ (Decrease)	
	31.12.2025 (Q2 2026) RM'000 Unaudited	30.09.2025 (Q1 2026) RM'000 Unaudited	RM'000	%
Revenue	14,522	15,146	(624)	(4.1)
Profit Before Tax (PBT)	3,064	2,869	195	6.8

The Group recorded revenue of RM14.5 million in Q2 2026, compared to RM15.1 million in Q1 2026. The decrease of RM0.6 million, or 4.1%, was mainly due to a decrease in revenue from the distribution business segment, attributed to lower demand from existing customers.

The Group's PBT increased by RM0.2 million, or 6.8% to RM3.1 million in Q2 2026 as compared to RM2.9 million Q1 2026. The increase in Group's profit before taxation was mainly attributable to lower administrative expenses as well as cost efficiencies achieved through centralised resource management and the streamlining of logistics and operational processes.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and outlook

The Group continues to operate against a backdrop of evolving economic and market conditions. In navigating this environment, the Group remains focused on maintaining operational discipline, enhancing cost efficiency and strengthening its core business segments.

As at 31 December 2025, the Group maintains a healthy liquidity position, with cash, bank balances, fixed deposits and money market funds totalling RM146 million. This strong financial standing provides the flexibility to support operational requirements and capital commitments.

Moving forward, the Group will continue to prioritise operational efficiency, disciplined cost management and customer engagement, while remaining attentive to external developments that may affect its business.

The Board will continue to exercise careful stewardship of the Group's resources, taking into consideration the prevailing business environment and the long-term interests of its stakeholders.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Profit forecast or profit guarantee

The Group did not publish any profit forecast nor provide any profit guarantee.

B5. Status of corporate proposals

There was no corporate proposal announced for the current quarter and financial period under review.

B6. Income tax expenses

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025 RM'000 Unaudited	**31.12.2024 RM'000 Unaudited**	**31.12.2025 RM'000 Unaudited**	**31.12.2024 RM'000 Unaudited**
Income tax expenses				
- Current year	700	1,244	1,160	2,098
- Prior year	-	-	-	-
	700	1,244	1,160	2,098
Deferred tax liabilities	-	-	-	-
Total tax expense	**700**	**1,244**	**1,160**	**2,098**
Effective tax rate (%)	22.8%	28.3%	20.0%	26.4%

Notes:

(1) The Group's effective tax rate for the current quarter is lower than the statutory income tax rate mainly due to non-taxable income and tax incentives/allowances available to the Group.

(2) Income tax expenses recognised based on management's best estimate.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of proceeds from the IPO

The gross proceeds raised from the Public Issue amounting to RM72.3 million is intended to be utilised in the following manner and status of utilisation as at 31 December 2025 are disclosed as below:

Details of Utilisation	Proposed Utilisation (RM'000)	Revision of Utilisation (RM'000)	Actual Utilisation (RM'000) @ 30.09.25	Balance Unutilised (RM'000)	Initial Timeframe for the utilisation of IPO Proceeds (i)	First Extension Timeframe (ii)	Second Extension Timeline (iii)	Third Extension Timeline (iv)	Fourth Extension Timeline (v)
Land acquisition and construction of manufacturing plant	33,000	(18,000)	15,000	-	36 months	12 months	12 months	12 months	12 months
Capital expenditure	13,000	-	7,538	5,462	36 months	12 months	12 months	12 months	12 months
Factory acquisition	-	10,000	10,000	-		12 months			
Merger and Acquisition	-	8,000	8,000	-		12 months			
Repayment of bank borrowings	10,000	-	10,000	-	12 months				
Working capital	12,451	-	12,451	-	18 months				
Listing expenses	3,800	-	3,800	-	1 month				
Total	**72,251**	-	**66,789**	**5,462**					

Note:
(i) From the date of Listing on 25 September 2019
(ii) Being additional 12 months from 25 August 2022 for the utilisation of IPO Proceeds;
(iii) Being additional 12 months from 25 August 2023 for the utilisation of IPO Proceeds;
(iv) Being additional 12 months from 23 August 2024 for the utilisation of IPO Proceeds;
(v) Being additional 12 months from 23 August 2025 for the utilisation of IPO Proceeds.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Bank borrowings/ Lease Liabilities

The Group had no bank borrowings (overdraft and term loan) as at 31 December 2025 and 30 June 2025. All borrowings, if any, are denominated in Ringgit Malaysia.

The Group has lease contracts for various assets, including land, hostel premises, plant and machinery and motor vehicles used in its operations. Lease of hostel premises generally have lease terms of 1 to 5 years (2024:1 to 5 years) with extension options of 1 to 3 years (2024: 1 to 3 years).

Leases of plant and machinery and motor vehicle relate to assets acquired under hire purchase agreements with lease terms 3 to 5 years (2024:3 to 5 years).

The Group also has right of use assets relating to leasehold land and building under a long-term leasehold of 45 years.

The Group's Lease Liabilities as at the end of the financial quarter are as below

	31.12.2025 RM'000	**30.06.2025 RM'000**
Unaudited		
Current		
- Hire Purchase	28	121
- Leasehold hostel premises, land and buildings	137	243
	165	364
Non-Current		
- Hire Purchase	5	5
- Leasehold hostel premises, land and buildings	10	144
	15	149

B9. Material litigation

There were no material litigation involving the Group as at 31 December 2025.

B10. Dividend

Save as disclosed in Section A8, the Board of Directors does not recommend any dividend for the current financial quarter under review.

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B11. Earnings per share

The basic EPS are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025 Unaudited	**31.12.2024 Unaudited**	**31.12.2025 Unaudited**	**31.12.2024 Unaudited**
Profit attributable to ordinary owners of the Company (RM'000)	2,364	3,147	4,773	5,836
Weighted average number of ordinary shares ('000)	679,248	681,077	679,248	681,077
Basic/Diluted EPS (sen)	0.35	0.46	0.70	0.85

B12. Disclosure on selected expense/income items as required by the Listing Requirements

Profit before tax is arrived after (charging)/crediting:

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2025 RM'000 Unaudited	**31.12.2024 RM'000 Unaudited**	**31.12.2025 RM'000 Unaudited**	**31.12.2024 RM'000 Unaudited**
Depreciation of property, plant and equipment	(483)	(566)	(996)	(1,336)
Depreciation of right-of-use assets	(146)	(135)	(330)	(238)
Depreciation of investment property at cost	(187)	-	(228)	-
Foreign exchange				
Realised (loss)/gain	(132)	(378)	(292)	(515)
Unrealised (loss)/gain	(242)	425	(130)	(211)
Gain/(loss) on disposal of property, plant and equipment	14	-	14	40
Gain on fair value of other investments	966	1,024	1,945	2,014
Gain on disposal of other investment	-	584	-	-
Dividend income from other investment	-	-	-	2
Interest income	118	326	383	642
Interest expense	(11)	(29)	(18)	(66)
Inventories written off	-	-	-	-
Provision for doubtful debts	-	-	-	-
Reversal of Inventories written off	1	-	1	-