NATIONGATE HOLDINGS BERHAD

Registration No. 202101004230 (1404529-K)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2025

NATIONGATE HOLDINGS BERHAD
Registration No. 202101004230 (1404529-K)
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statements of Comprehensive Income[1] for the Fourth Quarter Ended 31 December 2025

		Individual Quarter		Cumulative Quarter	
		Current Year Quarter	**Preceding Year Corresponding Quarter**	**Current Year-to-date**	**Preceding Year Corresponding Year-to-date**
	Note	**31.12.2025 RM'000**	**31.12.2024 RM'000**	**31.12.2025 RM'000**	**31.12.2024 RM'000**
Revenue		1,203,936	3,031,569	7,612,264	5,270,753
Cost of sales		(1,165,862)	(2,903,664)	(7,362,693)	(5,022,739)
Gross profit		38,074	127,905	249,571	248,014
Other income		40,837	4,983	98,001	87,853
Administrative expenses		(48,851)	(53,333)	(136,896)	(98,548)
Operating profit		30,060	79,555	210,676	237,319
Finance costs		(9,635)	(11,681)	(56,273)	(25,258)
Finance income		2,894	11,039	42,057	18,642
Share of profit from an associate		1	-	3	2
Profit before tax	B11	23,320	78,913	196,463	230,705
Income tax	B5	(8,186)	(11,639)	(54,173)	(51,498)
Profit after tax		15,134	67,274	142,290	179,207
Profit attributable to:					
- Owners of the Company		6,376	64,060	125,067	160,190
- Non-controlling interest		8,758	3,214	17,223	19,017
		15,134	67,274	142,290	179,207
Total comprehensive profit attributable to:					
- Owners of the Company		6,376	64,060	125,067	160,190
- Non-controlling interest		8,758	3,214	17,223	19,017
		15,134	67,274	142,290	179,207
Earnings per share ('EPS")					
- Basic (sen) [2]	B10	0.28	2.81	5.49	7.04

NOTES:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

(2) Basic earnings per share ("**EPS**") is calculated based on the Company's share capital of 2,277,644,810 shares in issue (31 December 2024 : 2,276,679,510 ordinary shares). There are no dilutive instruments as at the end of the current quarter.

NATIONGATE HOLDINGS BERHAD
Registration No. 202101004230 (1404529-K)
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statements of Financial Position(1)
As at 31 December 2025

	Note	As at 31.12.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		386,113	331,315
Right-of-use assets		16,852	4,203
Investment properties		90,634	14,509
Goodwill		16,768	-
Investment in an associate		400	397
Deferred tax assets		11,539	10,624
		522,306	361,048
Current assets			
Inventories		1,141,397	899,947
Trade receivables		814,206	494,078
Other receivables, deposits and prepayments		53,538	24,401
Contract assets		11,433	13,096
Current tax assets		11,664	2,654
Derivative financial assets		-	14,183
Investment securities		156	131
Fixed deposits with licensed banks		-	10
Cash and bank balances		417,512	1,927,671
		2,449,906	3,376,171
TOTAL ASSETS		**2,972,212**	**3,737,219**
EQUITY AND LIABILITIES			
Share capital		699,997	698,357
Treasury shares		(14,981)	-
Reserves		(130,971)	(132,835)
Non-controlling interest		47,021	24,325
Retained profits		457,721	382,007
Total equity		1,058,787	971,854
Non-current liabilities			
Borrowings	B7	106,677	37,894
Contract liabilities		21,943	10,284
Lease liability		12,256	341
Other payables		1,419	-
Deferred tax liabilities		3,089	7,516
		145,384	56,035
Current liabilities			
Trade payables		971,138	1,600,616
Contract liabilities		21,808	24,887
Other payables, accruals and provision		89,793	71,027
Derivatives financial liabilities		28,995	-
Borrowings	B7	633,914	960,742
Lease liability		4,835	4,029
Current tax liabilities		17,558	48,029
		1,768,041	2,709,330
Total liabilities		1,913,425	2,765,365
Total equity and liabilities		**2,972,212**	**3,737,219**
Net assets per share (sen)(2)		46.49	42.69
Gearing ratio (times)		0.70	1.03

NOTES:

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per share is calculated based on the Company's number of ordinary shares in issue of 2,277,644,810 shares (31 December 2024 : 2,276,679,510 shares).

NATIONGATE HOLDINGS BERHAD
Registration No. 202101004230 (1404529-K)
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statements of Changes in Equity(1) for the Period Ended 31 December 2025

	Attributable to Owners of the Company								
	Non-distributable					Distributable			
	Share Capital	ESGP Reserve	Foreign Currency Translation Reserve	Treasury Shares	Merger Reserve	Retained Profit	Total	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months ended 31 December 2025									
At 1 January 2025 (Audited)	698,357	512	13	-	(133,361)	382,007	947,528	24,325	971,853
Total comprehensive income for the financial period	-	-	4	-	-	125,067	125,071	22,696	147,767
Transactions with owners of the Company:									
Dividends	-	-	-	-	-	(45,500)	(45,500)	-	(45,500)
Disposal to non-controlling interest	-	-	-	-	-	(3,853)	(3,853)	-	(3,853)
Purchase of treasury shares	-	-	-	(14,981)	-	-	(14,981)	-	(14,981)
Issuance of shares – ESGP	1,640	(1,640)	-	-	-	-	-	-	-
Recognition of equity – settled									
Share-based payment	-	3,501	-	-	-	-	3,501	-	3,501
At 31 December 2025 (Unaudited)	699,997	2,373	17	(14,981)	(133,361)	457,721	1,011,766	47,021	1,058,787

NOTES:

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

NATIONGATE HOLDINGS BERHAD
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Unaudited Condensed Consolidated Statements of Cash Flows[1]
for the Period Ended 31 December 2025

	Current Year-to-date 31.12.2025 RM'000 (Unaudited)	Preceding Year Corresponding Year-to-date 31.12.2024 RM'000 (Audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	196,464	230,705
Adjustments for: -		
Accretion of interest on lease liability	502	176
Allowance for slow moving inventories	1,765	8,086
Depreciation of :		
- property, plant and equipment	46,841	45,394
- right-of-use assets	6,241	3,880
- investment properties	1,576	304
Dividend income	-	(3)
ESGP expenses	3,501	1,183
Fair value loss / (gain) on derivative financial instruments	43,178	(14,183)
Fair value gain on short term investment	-	(16)
Fair value (gain) / loss on investment securities	(27)	163
(Gain) / Loss on disposal of property, plant and equipment	(348)	10
Goodwill	(16,768)	-
Property, plant and equipment written off	32,164	7,100
Interest expense	55,771	25,082
Interest income	(42,057)	(18,642)
Share of profit from an associate	(3)	(2)
Unrealised (gain) / loss on foreign exchange	(59,581)	26,515
Operating profit before working capital changes	269,219	315,752
Net changes in:		
Inventories	(243,215)	(677,810)
Receivables	(357,850)	(358,340)
Payables	(573,947)	1,472,506
Contract assets	1,662	(4,713)
Contract liabilities	8,580	34,577
Cash (used in) /generated from operation	**(895,551)**	**781,972**
Income tax paid	(98,997)	(20,963)
Interest paid	(55,771)	(25,082)
Net cash (used in) /generated from operating activities	**(1,050,319)**	**735,927**
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	-	3
Interest received	42,057	18,642
Withdrawal of fixed deposits with a licensed bank	-	10,740
Net changes in money market fund	3	16
Proceeds from disposal of property, plant and equipment	422	28
Purchase of property, plant and equipment	(211,579)	(138,287)
Net cash used in investing activities	**(169,097)**	**(108,858)**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends Paid	(45,500)	(21,752)
Dividend paid to non-controlling interest	-	(2,000)
Purchase of treasury shares	(14,981)	-
Proceed from dilution of shareholding in a subsidiary	1,620	-
Payment of lease liabilities	(6,672)	(4,098)
Payment of listing expenses	-	(3,498)
Proceed from issuance of shares	-	396,644
(Repayment) / Drawdown of bankers' acceptance	(280,919)	871,843
Drawdown of term loans	76,877	18,850
Repayment of revolving credit	(10,000)	-

Unaudited Condensed Consolidated Statements of Cash Flows[1] for the Period Ended 31 December 2025 (Cond't)

	Current Year-to-date 31.12.2025 RM'000 (Unaudited)	Preceding Year Corresponding Year-to-date 31.12.2024 RM'000 (Audited)
Repayment of hire purchase	(11,182)	(21,251)
Net cash (used in) /generated from financing activities	**(290,757)**	**1,234,786**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(1,510,173)	1,861,807
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND BANK BALANCES	4	13
CASH AND CASH EQUIVALENTS AT BEGINNING	1,927,681	65,861
CASH AND CASH EQUIVALENTS AT END	**417,512**	**1,927,681**
Represented by:		
Cash and bank balances	417,512	1,927,671
Short term deposits with licensed banks	-	10
	417,512	**1,927,681**

NOTES:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flow is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

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PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Boards ("**MASB**") and Paragraph 9.22 of Listing Requirements of Bursa Securities.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of NGH and its subsidiaries and associated company ("**Group")** since the financial year ended 31 December 2024.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

Effective for annual periods beginning on or after 1 January 2025
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

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

Effective for annual periods beginning on or after 1 January 2027
MFRS 18 *Presentation and Disclosure in Financial Statements*
MFRS 19 *Subsidiaries without Public Accountability : Disclosures*

Effective date yet to be confirmed
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The adoption of the above MFRSs and amendments to MFRSs are not expected to have any material impact on the financial statements of the Group upon initial application.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. SEASONAL OR CYCLICAL FACTORS

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows during the current interim financial period.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial year to date.

A7. DEBT AND EQUITY SECURITIES

During the current quarter, the Company repurchase of its own shares from the open market totalling 15,000,000 units at an average price of RM0.99563 per share. The total considerations paid for the repurchase including transaction cost was RM14,981,253.35. The shares repurchased are being held as treasury shares.

Saved as disclosed above, there were no other issuances, cancellations, repurchases, resale or repayments of debts and equity securities during the current quarter under review.

A8. DIVIDEND PAID

A Special Single Tier Dividend of 1.0 sen per ordinary share amounting to RM22,766,795 and a final single tier dividend of 0.25 sen per ordinary share amounting to RM5,691,699 in respect of the financial year ended 31 December 2024 were declared on 27 February 2025 were paid on 18 April 2025.

The first single tier interim dividend of 0.25 sen per ordinary share amounting to RM5,691,697.95 for the financial year ended 31 December 2025 that was declared on 29 May 2025 was paid on 23 July 2025.

The second single tier interim dividend of 0.25 sen per ordinary share amounting to RM5,692,994.62 for the financial year ended 31 December 2025 that was declared on 27 August 2025 was paid on 29 September 2025.

The third single tier interim dividend of 0.25 sen per ordinary share amounting to RM5,692,994.62 for the financial year ended 31 December 2025 that was declared on 26 November 2025 was paid on 23 December 2025

A9. SEGMENTAL INFORMATION

The Group is an electronic manufacturing services ("**EMS**") provider focusing on the assembly and testing of electronic components and products to produce completed printed circuit boards ("**PCB**"), semi-finished sub-assemblies and fully-assembled electronic products, as well as semiconductor devices.

For management purposes, the Group is organised into business units based on their nature of businesses and customer segment as well as geographical sales contribution.

Segmental information is provided based on contribution by business units based on their nature of businesses and customer segment as well as by geographical factors.

(a) Contribution by customer segment

By customer segments	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Year-To-Date
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Networking and telecommunications	124,333	112,623	499,614	420,318
Industrial instruments	24,243	27,990	103,125	103,773
Data computing	1,016,206	2,862,217	6,878,522	4,638,428

Consumer electronics	13,598	3,141	25,043	12,831
Automotive	15,000	11,364	51,309	48,097
Semiconductor	-	-	-	6,937
Others(1)	10,556	14,234	54,651	40,369
Total	**1,203,936**	**3,031,569**	**7,612,264**	**5,270,753**

(b) Contribution by geographical factors

Countries	**Current Year Quarter**	**Preceding Year Corresponding Quarter**	**Current Year-To-Date**	**Preceding Year Corresponding Year-To-Date**
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Malaysia	1,052,749	2,150,531	6,514,628	3,044,515
Singapore	68,969	617,641	698,138	1,760,650
USA	22,168	16,968	69,368	61,096
Germany	13,813	6,053	43,564	43,311
Australia	2,767	7,094	11,923	18,087
Other Asian countries(2)	32,083	225,162	99,497	303,983
Other European countries(3)	10,424	3,023	167,498	11,935
Other North American countries(4)	963	5,097	7,648	6,315
Other African countries(5)	-	-	-	20,861
Total	**1,203,936**	**3,031,569**	**7,612,264**	**5,270,753**

Notes:
(1) Mainly consists of manufacturers of medical devices, Internet of Things, household electronic products, analytical instrumentation devices and warehousing and storage services.
(2) Other Asian countries include Taiwan, China, Hong Kong, Vietnam, Thailand and India.
(3) Other European countries include France, United Kingdom, Denmark, Ireland, Norway, Turkey, Hungary and Italy.
(4) Other North America countries include Canada and Mexico.
(5) Other African country includes Seychelles.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 14 July 2025, an order to inspect, search, and seize under Section 31(1) of the Malaysian Anti-Corruption Commission Act 2009 from Malaysian Anti-Corruption Commission ("MACC") was issued to NationGate Solution (M) Sdn Bhd ("NSM") at the premises of NSM, a wholly-owned subsidiary of the Company, as part of their ongoing investigation.

The Company has on 20 January 2026 received a notification dated 19 January 2026 from the IRBM that the investigation has been completed and the Company's records are proper. The Company's bank account that has been previously earmarked by the MACC has been regularised.

Saved as disclosed above, there were no other material events subsequent to the end of the current financial period under review that have not been reflected in this interim financial report.

A11. CHANGES IN COMPOSITION OF THE GROUP

During the financial period, Nationgate System Sdn Bhd, an indirect wholly-owned subsidiary of NATGATE, completed the acquisition of 168,200,000 ordinary shares—representing the entire issued and paid-up share capital of Valeo Malaysia CDA Sdn Bhd—for a purchase consideration of RM60,888,000 (subject to adjustments, if applicable) on 31 December 2025 ("the Acquisition"). Details of the acquiree are set out below

Company Name	Acquisition Date	Paid-Up Capital	Principal Activities
NationGate Plus S/B (f.k.a Valeo Malaysia CDA Sdn Bhd)	31 December 2025	RM168,200,000.00	Manufacture of plastic injection moulded parts/components, printed circuit board assemblies, final test and assembly of modules and products.

Saved as disclosured above, there were no material changes in the composition of the Group for the current financial quarter under review.

A12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets in the Group since the date of the last annual statement of financial position.

A13. RELATED PARTY TRANSACTIONS DISCLOSURES

The following companies are related parties as they relate to companies in which one of the directors of the Group has substantial financial interest.

- VS Solution Services Sdn Bhd ("**VS**")
- SkyGate Sciences Sdn Bhd ("**SC**")
- SkyGate Precision Sdn Bhd ("**SP**")
- Nation Robo Sdn Bhd ("**NR**")

Type of transactions	Related parties	Individual Quarter		Cumulative Period	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Year-To-Date
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
		RM'000	RM'000	RM'000	RM'000
Purchase and installation of metal racking systems and machinery	VS	348	142	1,310	1,527
Purchase of spare parts and consumables for the Group's manufacturing activities	VS	196	51	428	192
Purchase of spare parts for maintenance of building and office equipment	VS	101	152	737	295
Purchase of spare parts and consumables for the Group's manufacturing activities	SP	-	16	5	70
Rental Expenses	SC	1,052	1,024	4,125	3,338
Rental Expenses	SP	470	-	890	-
Rental Expenses	NR	1,117	-	2,178	-

A14. CAPITAL COMMITMENTS

	As at 31.12.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
Approved and contracted for:		
- Property, Plant and Equipment	129,168	168,184
	129,168	168,184

A15. FINANCIAL DERIVATIVES

The Group enters into forward exchange contracts to manage its exposure to purchases that are denominated in USD.

The notional value of foreign currency forward contracts as at financial year under review is as follow.

	As at 31.12.2025 RM'000
Foreign currency hedging contracts	
Notional value of contracts*	1,148

*Equivalent to USD 280 million.

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PART B – ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Year-To-Date
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	1,203,936	3,031,569	7,612,264	5,270,753
Gross Profit	38,074	127,905	249,571	248,014
Profit before interest and tax	30,060	79,555	210,676	237,319
Profit before tax	23,320	78,913	196,463	230,705
Profit after tax	15,134	67,274	142,290	179,207
Profit attributable to owners of the Company	6,376	64,060	125,067	160,190

Comparison with preceding year corresponding quarter
The Group recorded RM1.2 billion revenue, representing a decrease of RM1.8 billion from RM3.0 billion revenue recorded in the preceding year corresponding quarter. The decline was primarily driven by lower revenue contributions from the Data Computing segment.

Gross profit decreased by RM89.8 million, while profit before tax decreased by RM55.6 million. The decline in both gross profit and profit before tax was predominantly attributable to a significant reduction in sales.

Comparison with preceding year corresponding year-to-date
For the financial period ended 31 December 2025, the Group recorded RM7.6 billion revenue, representing an increased of 44.4% from RM5.3 billion revenue recorded in the preceding financial year-to-date. This substantial growth was primarily attributable to higher revenue contributions from the Data Computing segment.

Consequently, gross profit slightly increased by RM1.6 million whereas profit before tax decreased by RM34.2 million primarily driven by lower gain from foreign currency exchange besides fixed asset written off recorded in previous quarter.

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS

	Current Year Quarter 31.12.2025	Current Year Preceding Quarter 30.09.2025
	RM'000	RM'000
Revenue	1,203,935	965,366
Gross Profit	38,074	36,714
Profit before interest and tax	30,060	18,078
Profit before tax	23,320	15,386
Profit after tax	15,134	14,305
Profit attributable to owners of the Company	6,376	12,657

The Group's revenue for the quarter under review has increased by 24.7% to RM1.2 billion comparing to RM965.4 million in preceding quarter. Increase in revenue was mainly attributed by increase in revenue generated from Data Computing segments which increased by RM232.7 million. As a result, the Group's gross profit decreased by 3.7% to RM38.1 million.

Profit before tax for the quarter under review has increased by 51.6% to RM23.3 million primarily due to the favorable impact of improved foreign exchange gains as a result of strengthening in MYR against USD.

B3. PROSPECTS OF THE GROUP

The Group remains cautiously optimistic about its outlook for the coming financial year, supported by positive trends in the global electrical & electronics (E&E) and semiconductor sectors. The World Semiconductor Trade Statistics (WSTS) Autumn 2025 forecast projects over 25% global semiconductor market growth in 2026, driven mainly by strong demand for logic and memory products. Consistent with this, the latest KPMG–GSA Global Semiconductor Outlook reports that 93% of industry executives expect revenue growth, reflecting continued momentum across AI, data-centre and electric-vehicle applications despite ongoing geopolitical and energy-supply uncertainties.

Demand fundamentals remain underpinned by structural growth in AI and cloud computing. Global data-centre capacity is expected to grow at a 14% CAGR through 2030, with AI workloads projected to account for half of total processing demand. Meanwhile, global supply-chain realignment continues to accelerate as companies diversify production in response to U.S.–China trade tensions, recent geopolitical disruptions and component-supply volatility. These developments continue to support Malaysia's attractiveness as an alternative manufacturing hub, aided by targeted measures under Malaysia's Budget 2026 to strengthen the E&E ecosystem and promote high-value semiconductor activities.

Against this backdrop, the Group, as a Malaysia-based EMS provider with capabilities in high-mix, high-value electronics and semiconductor-related assemblies, remains well positioned to benefit from customer diversification strategies and growth in AI, EV and industrial-automation markets. While the Board and Management remain vigilant of risks such as demand fluctuations, inventory cycles, foreign-exchange movements, component-price changes and broader geopolitical uncertainties, the Group is well placed to capture emerging opportunities and deliver sustainable long-term value to shareholders.

Barring any unforeseen circumstances, the Board of Directors of the Company ("**Board**") is cautiously optimistic in the prospects of the Group for the financial year 2026.

B4. VARIANCE OF ACTUAL PROFITS FROM FORECAST PROFITS

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5. TAXATION

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2025 RM'000	**Preceding Year Corresponding Quarter 31.12.2024 RM'000**	**Current Year-to-date 31.12.2025 RM'000**	**Preceding Year Corresponding Year-to-date 31.12.2024 RM'000**
In respect of current period:				
Current tax	24,811	11,639	74,951	51,498
Deferred tax	(16,625)	-	(20,778)	-
	8,186	11,639	54,173	51,498
Effective tax rate (%)	35.1	14.7	27.6	22.3
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The Group's effective tax rate was higher than statutory tax rate as a result of non-deductible expenses for tax purposes.

B6. STATUS OF CORPORATE PROPOSALS

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

B7. GROUP BORROWINGS AND DEBTS SECURITIES

As at 31 December 2025	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured			
Bankers' acceptance	-	608,082	608,082
Finance leases	474	3,916	4,390
Term loans	106,203	7,917	114,120
Revolving credit	-	14,000	14,000
Total	**106,677**	**633,914**	**740,591**

The bank borrowings are secured and denominated in both Ringgit Malaysia and US Dollar.

The currency profile of borrowing is a follows:

Currency Profile	USD'000	RM'000
US Dollar	142,211	587,191
Ringgit Malaysia	N/A	153,401
Total	**142,211**	**740,591**

B8. MATERIAL LITIGATION

There was no material litigation against the Group for the financial period under review.

B9. DIVIDENDS

On 27 February 2025, the Company proposed a special single tier dividend of 1 sen per ordinary share and a final single tier dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2024. The entitlement date and payment date are on 7 April 2025 and 18 April 2025 respectively.

On 29 May 2025, the Company proposed a first single tier interim dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2025. The entitlement date and payment date are on 11 July 2025 and 23 July 2025 respectively.

On 27 August 2025, the Company proposed a second single tier interim dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2025. The entitlement date and payment date are on 17 September 2025 and 29 September 2025 respectively.

On 26 November 2025, the Company proposed a third single tier interim dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2025. The entitlement date and payment date are on 10 December 2025 and 23 December 2025 respectively.

On 25 February 2026, the Company proposed a fourth single tier interim dividend of 0.25 sen per ordinary share and a special single tier dividend of 1.0 sen per share in respect of the financial year ended 31 December 2025. The entitlement date and payment date for fourth single tier interim dividend are on 13 March 2026 and 26 March 2026 respectively. In respect of the special single-tier dividend, a further announcement will be made in due course upon the finalisation of the entitlement date and the corresponding payment date.

B10. EARNINGS PER SHARE ("EPS")

	Individual Quarter		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Year-to-date
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
Profit attributable to the Owners of the Company (RM'000)	2,827	64,060	121,518	160,190
Number of ordinary shares in issue ('000)	2,277,645	2,276,680	2,277,645	2,276,680
Basic EPS (sen)	0.12	2.81	5.34	7.04

B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit for the period was derived after taking into consideration of the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Year-to-date
	31.12.2025 RM'000	**31.12.2024 RM'000**	**31.12.2025 RM'000**	**31.12.2024 RM'000**
After charging/(crediting):				
Allowance for slow moving inventories	425	4,891	1,765	5,151
Depreciation of investment property	713	76	1,576	304
Depreciation of property, plant and equipment	12,152	12,045	46,841	45,394
Depreciation on right-of-use ("ROU") assets	3,158	1,012	6,241	3,880
Fair value loss on investment securities	-	48	-	147
Fixed assets written off	47	7,098	32,164	7,100
Interest expense	9,635	11,681	56,273	25,258
Lease payment for:				
- Low value assets	39	(7)	99	38
- Short term leases	231	1,438	1,937	875
Unrealised loss on foreign exchange	-	166,732	-	26,515
Fair value loss on derivative financial instruments	-	-	43,178	-
Loss on disposal of Property, plant and equipment	-	-	-	10
Realised loss on foreign exchange	214	-	-	-
And crediting:				
Dividend income	-	-	-	3
Gain on disposal of Property, plant and equipment	57	-	348	-
Fair value gain on investment securities	3	-	27	-

Interest income	2,894	10,402	42,057	18,642
Rental income	2,545	2,595	4,732	3,941
Realised gain on foreign exchange	-	128,468	20,047	68,266
Fair value gain on derivative financial instruments	28,096	14,183	-	14,183
Unrealised gain on foreign exchange	26,804	-	59,581	-

B12. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 25 February 2026.

BY ORDER OF THE BOARD
NATIONGATE HOLDINGS BERHAD