SFP TECH HOLDINGS BERHAD

(Registration No. 202101004713 (1405012-M))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025(1)

	Note	Individual quarter		Cumulative quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
		Current year quarter	Preceding year corresponding quarter	Current year-to-date	Preceding year corresponding year-to-date
		30.09.2025	30.09.2024	30.09.2025	30.09.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	**21,647**	**47,127**	**70,975**	**126,214**
Cost of sales		(15,392)	(25,532)	(36,712)	(69,528)
Gross profit		**6,255**	**21,595**	**34,263**	**56,686**
Other income	B5	108	560	772	1,920
Selling and distribution expenses		(349)	(285)	(987)	(869)
General administrative expenses		(5,082)	(5,213)	(17,973)	(14,052)
Other gains/(losses)		436	(6,081)	(5,840)	(5,948)
Operating profit		**1,368**	**10,576**	**10,235**	**37,737**
Finance costs		(684)	(809)	(2,801)	(2,065)
Finance income		60	189	170	647
Profit before tax ("PBT")	B15	**744**	**9,956**	**7,604**	**36,319**
Tax expense	B6	(45)	(922)	716	(5,314)
Profit for the financial period		**699**	**9,034**	**8,320**	**31,005**
Other comprehensive income, net of tax:					
Item that may be subsequently reclassified to profit or loss:					
- Currency translation differences		449	(100)	364	(92)
Total comprehensive income for the financial period		**1,148**	**8,934**	**8,684**	**30,913**
Profit attributable to:					
Owners of the Company		699	9,034	8,320	31,005
		699	**9,034**	**8,320**	**31,005**
Total comprehensive income attributable to:					
Owners of the Company		1,148	8,934	8,684	30,913
		1,148	**8,934**	**8,684**	**30,913**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025[1] (continued)

		Individual quarter		Cumulative quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
	Note	Current year quarter	Preceding year corresponding quarter	Current year-to-date	Preceding year corresponding year-to-date
		30.09.2025	30.09.2024	30.09.2025	30.09.2024
		RM'000	RM'000	RM'000	RM'000
Earnings per ordinary share attributable to owners of the Company:					
Basic earnings per share (sen) [2]	B14	0.03	0.38	0.35	1.29
Diluted earnings per share (sen) [3]	B14	0.03	0.38	0.35	1.29

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 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 profits attributable to owners of the Company divided by the total number of ordinary shares of SFP Tech ("Share(s)") in issue as at 30 September 2025.

(3) Diluted earnings per share is calculated based on the profits attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of potential ordinary shares.

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SFP TECH HOLDINGS BERHAD
(Registration No. 202101004713 (1405012-M))
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025[1]

	Note	Unaudited As at 30.09.2025 RM'000	Audited As at 31.12.2024 RM'000
Non-current assets			
Property, plant and equipment		162,889	158,659
Right of use asset		490	741
Investment property		2,265	2,322
Intangible asset		80	344
Prepayments		3,450	13,343
Deferred tax assets		28	-
Total non-current assets		**169,202**	**175,409**
Current assets			
Inventories		65,883	37,960
Trade receivables		57,436	96,348
Other receivables, deposits and prepayments		28,942	21,238
Current tax receivable		-	27
Deposit, cash and bank balances		10,497	8,800
Total current assets		**162,758**	**164,373**
Total assets		**331,960**	**339,782**
Equity			
Share capital		119,489	119,489
Merger reserve		(53,077)	(53,077)
Employee share option scheme reserve		369	225
Currency translation reserve		275	(89)
Retained earnings		159,366	151,046
Total equity		**226,422**	**217,594**
Non-current liabilities			
Deferred income		-	156
Lease liabilities		195	462
Borrowings	B9	38,638	47,566
Deferred tax liabilities		-	2,974
Total non-current liabilities		**38,833**	**51,158**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025[1] (continued)

	Note	Unaudited As at 30.09.2025 RM'000	Audited As at 31.12.2024 RM'000
Current liabilities			
Trade payables		8,383	15,962
Other payables and accruals		25,777	13,393
Lease liabilities		340	316
Contract liabilities		-	998
Borrowings	B9	20,814	29,159
Current tax provision		11,391	11,202
Total current liabilities		**66,705**	**71,030**
Total liabilities		**105,538**	**122,188**
Total equity and liabilities		**331,960**	**339,782**
Net assets per share (RM)		0.09 [2]	0.09 [2]

Notes:

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

(2) Net assets per share is calculated based on the total equity divided by the total number of ordinary shares in issue at the end of the reporting period.

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SFP TECH HOLDINGS BERHAD
(Registration No. 202101004713 (1405012-M))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025[1]

	<---------- Attributable to owners of the parent ----------					---------->
	<-------- Non-distributable			-------->	Distributable	
	Share Capital RM'000	**Merger Reserves RM'000**	**ESOS Reserves RM'000**	**Currency Translation Reserves RM'000**	**Retained Earnings RM'000**	**Total Equity RM'000**
Balance as at 1 January 2025	119,489	(53,077)	225	(89)	151,046	217,594
Total comprehensive income for the financial period	-	-	-	364	8,320	8,684
Transaction with owners:						
Share-based compensation pursuant to ESOS granted	-	-	144	-	-	144
Dividend	-	-	-	-	-	-
Balance as at 30 September 2025	**119,489**	**(53,077)**	**369**	**275**	**159,366**	**226,422**
Balance as at 1 January 2024	119,489	(53,077)	-	-	148,666	215,078
Total comprehensive income for the financial period	-	-	-	(92)	31,005	30,913
Transaction with owners:						
Dividend	-	-	-	-	(9,600)	(9,600)
Balance as at 30 September 2024 (As restated)	**119,489**	**(53,077)**	**-**	**(92)**	**170,071**	**236,391**

Note:

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025[1]

	Unaudited Current year-to-date 30.09.2025 RM'000	Unaudited Preceding year-to-date 30.09.2024 RM'000
Cash flows from operating activities		
PBT	**7,604**	**36,319**
Adjustments for:		
Amortisation of intangible assets	264	771
Deferred income released	(156)	(522)
Depreciation of property, plant and equipment	11,793	10,497
Depreciation on investment property	57	64
Depreciation on right-of-use asset	251	-
Impairment loss on deposits forfeited	45	-
Interest expenses	2,801	2,065
Interest income	(170)	(647)
Share-based compensation expenses	144	-
Unrealised loss on foreign exchange	5,031	5,627
Operating profit before working capital changes	**27,664**	**54,174**
Changes in working capital:		
Inventories	(27,923)	(4,101)
Trade and other receivables	37,713	(39,358)
Trade and other payables	3,471	(5,230)
Contract liabilities	(998)	286
Cash generated from operations	**39,927**	**5,771**
Income tax paid	(2,081)	(1,580)
Income tax refund	11	-
Interest paid	(2,801)	(2,065)
Interest received	170	647
Net cash from operating activities	**35,226**	**2,773**
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,029)	(21,989)
Increase in fixed deposit	(29)	-
Net cash used in investing activities	**(16,058)**	**(21,989)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025[1] (continued)

	Unaudited Current year-to-date 30.09.2025 RM'000	Unaudited Preceding year-to-date 30.09.2024 RM'000
Cash flows from financing activities		
Dividend paid	-	(9,600)
Drawdown of term loans	-	37,059
Repayment of lease liability	(243)	-
Repayment of hire purchase	(14,408)	(12,245)
Repayment of term loans	(2,865)	(3,993)
Net cash (used in)/from financing activities	**(17,516)**	**11,221**
Net increase/(decrease) in cash and cash equivalents	**1,652**	**(7,995)**
Effect of changes in foreign exchange rate	16	(1,537)
Cash and cash equivalents at beginning of financial period	**7,720**	**52,566**
Cash and cash equivalents at end of financial period	**9,388**	**43,034**
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	1,109	1,656
Cash and bank balances	9,388	43,034
Less: Fixed deposits pledged to licensed banks or maturity period more than 3 months	(1,109)	(1,656)
Cash and cash equivalents at the end of the financial period	**9,388**	**43,034**

Note:

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

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of SFP Tech Holdings Berhad ("**SFP Tech**" or "**Company**") and its subsidiaries ("**Group**") are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").

The interim financial statements should be read in conjunction with the accompanying notes attached to this interim financial report.

A2. Summary of accounting policies

The 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 annual audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report except for the adoption of the following amendments/ improvements to MFRSs that are mandatory for the current financial year.
Amendments to MFRS 121 'The Effects of Changes in Foreign Exchange Rates' on 'Lack of Exchangeability'

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board but not yet effective for the Group:

Effective for annual periods beginning on or after 1 January 2026
Amendments to MFRS 9 'Financial Instruments' and MFRS 7 'Financial Instruments: Disclosures' on '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 II for enhanced consistency

- *Amendments to MFRS 1 'First-time Adoption of Malaysian Financial Reporting Standards' on 'Hedge Accounting by a First-Time Adopter'*
- *Amendments to MFRS 7 'Financial Instruments Disclosures' on 'Gain or Loss on De-recognition'*
- *Amendments to Guidance on Implementing MFRS 7 'Financial Instruments: Disclosures'*
- *Amendments to MFRS 9 'Financial Instruments' on 'De-recognition of Lease Liabilities'*
- *Amendments to MFRS 10 'Consolidated Financial Statements' on 'Determination of a 'De Facto Agent'*
- *Amendments to MFRS 107 'Statement of Cash Flows' on 'Cost Method'*

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 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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

A3. Auditors' report on preceding annual financial statements

The auditors' report for the preceding annual financial statement of the Group was not subject to any qualification.

A4. Seasonal or cyclical factors

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

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

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

A6. Changes in estimates

There were no material changes in the estimates that have a material effect to the Group during the current quarter under review and year-to-date.

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A7. Debt and equity securities

Saved as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter under review and year-to-date.

On 27 August 2024, the Company had made an offer of options under the employees share option scheme ("**ESOS**") to eligible directors and employees to subscribe for new SFP Tech Shares. The movements of the ESOS are as follows:

	<---------------------------------- Number of share options ---------------------------------->			
Exercisable date	**Granted and Acceptable on 27/08/2024**	**Exercised**	**Lapsed**	**As at 30 September 2025**
27/11/2024	1,000,000.00	-	(150,000.00)	850,000.00
27/02/2025	1,000,000.00	-	(150,000.00)	850,000.00
27/05/2025	1,000,000.00	-	(150,000.00)	850,000.00
27/08/2025	1,000,000.00	-	(150,000.00)	850,000.00
	4,000,000.00	-	(600,000.00)	3,400,000.00

A8. Dividend Paid

There was no dividend proposed or declared during the current quarter under review.

In the previous year corresponding 3rd quarter ended 30 September 2024, the Company had on 16 August 2024 declared an interim single tier dividend of RM0.002 per Share in respect of the financial year ending 31 December 2024 amounting to RM4.80 million which was paid on 13 September 2024 to the shareholders whose name appeared in the Company's record of depositors on 02 September 2024. The total dividend declared for the 9 month financial period ended 30 September 2024 was RM0.002 per Share.

A9. Segmental information

The Group has two reportable segments which comprised its major business segments. The reportable segments are as follows:

(1)	Manufacturing	Sales of precision machined parts and components, fabricated metal products and mechanically assembled products.
(2)	Automation	Sales of automation equipment solutions and spare parts.

The segmental information based on the nature of the business segments as well as by geographical location are as follows:

(a) Revenue contribution by business segments

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter 30.09.2025 RM'000	**Unaudited Preceding year quarter 30.09.2024 RM'000**	**Unaudited Current year-to-date 30.09.2025 RM'000**	**Unaudited Preceding year year-to-date 30.09.2024 RM'000**
Revenue				
Manufacturing	18,678	44,958	62,280	121,851
Automation	2,969	2,169	8,695	4,363
Total	**21,647**	**47,127**	**70,975**	**126,214**

(b) Revenue contribution by geographical locations

	Individual quarter		**Cumulative quarter**	
	Unaudited Current year quarter 30.09.2025 RM'000	**Unaudited Preceding year quarter 30.09.2024 RM'000**	**Unaudited Current year-to-date 30.09.2025 RM'000**	**Unaudited Preceding year year-to-date 30.09.2024 RM'000**
Malaysia	12,510	5,372	30,091	16,448
Foreign Markets				
USA	6,394	3,005	30,386	12,057
Vietnam	806	-	2,822	-
Singapore	1,251	2,094	4,572	4,231
China	30	33,665	31	87,859
Others	656 [(1)]	2,991 [(2)]	3,073 [(1)]	5,619 [(2)]
	21,647	**47,127**	**70,975**	**126,214**

Notes:

(1) Others comprise of Europe, Thailand, India and Korea.

(2) Others comprise of India, Netherlands, Philippines and Thailand.

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. Material events subsequent to the end of the current financial quarter

There were no significant events subsequent to the end of the current quarter under review.

A12. Changes in the composition of the Group

There were no other material changes to the composition of the Group during the current financial quarter under review.

A13. Contingent liabilities and contingent assets

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

A14. Capital commitments

	Unaudited As at 30.09.2025 RM'000	Audited As at 31.12.2024 RM'000
Authorised and contracted for		
- Property, plant and equipment	17,979	8,688
	17,979	**8,688**

A15. Related party transactions

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

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B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance - Comparison with previous year's corresponding quarter and financial year-to-date

	Unaudited Current year quarter 30.09.2025 RM'000	Unaudited Preceding year corresponding quarter 30.09.2024 RM'000	Unaudited Current year-to-date 30.09.2025 RM'000	Unaudited Preceding year corresponding year-to-date 30.09.2024 RM'000
Revenue	21,647	47,127	70,975	126,214
Gross Profit	6,255	21,595	34,263	56,686
Profit before interest and tax	1,368	10,576	10,235	37,737
PBT	744	9,956	7,604	36,319
Profit after tax	699	9,034	8,320	31,005
Profit attributed to owners of the company	**699**	**9,034**	**8,320**	**31,005**

The Group recorded revenue of RM21.65 million for the current quarter and RM70.98 million for year-to-date ended 30 September 2025 which represented a decrease of RM25.48 million or 54.07% and RM55.24 million or 43.77% as compared to the revenue recorded of RM47.13 million and RM126.21 million for the preceding year corresponding quarter and corresponding year-to-date ended 30 September 2024 respectively.

During the quarter under review, the Group's revenue was principally derived from the Manufacturing segment which contributed RM18.68 million accounting for approximately 86.28% of the total revenue for the current quarter which represented a decrease of RM26.28 million or 58.45% as compared to the revenue generated from the manufacturing segment in the preceding year corresponding quarter of RM44.96 million due to the absence of sales to customer for mechanical assembly services. For year-to-date ended 30 September 2025, the Group's revenue was also principally derived from the Manufacturing segment which contributed RM62.28 million accounting for approximately 87.75% of the revenue recorded in the current year-to-date which represented a decrease of RM59.57 million or 48.89% as compared to the revenue generated from the Manufacturing segment in the preceding year corresponding year-to-date of RM121.85 million due mainly to the absence of sales to customer for mechanical assembly services.

During the quarter under review, the Group's revenue was mainly derived from customers in the Malaysia and USA which contributed in aggregate RM18.90 million accounting for approximately 87.33% of the Group's total revenue for the current quarter which represents a increase of RM10.53 million or 125.67% as compared to the revenue derived from customers in Malaysia and USA in the preceding year corresponding quarter of RM8.38 million. For year-to-date ended 30 September 2025, the Group's revenue was mainly derived from customers in USA and Malaysia, which in aggregate contributed a total of RM60.48 million accounting for approximately 85.21% of the Group's total revenue for the current year-to-date ended 30 September 2025 as compared to the preceding year corresponding year-to-date whereby the revenue was predominately from China and Malaysia, which accounted for 82.64% of the Group's total revenue.

The Group recorded PBT of RM0.74 million and RM7.60 million for the current quarter ended and year-to-date ended 30 September 2025 after deducting the general administrative expenses and other gains of RM5.08 million and RM0.44 million for the current quarter under review and RM17.97 million and other losses amounting to RM5.84 million recorded year-to-date 30 September 2025 respectively, which mainly comprises of unrealized foreign exchange loss. As compared to the PBT generated by the Group for the preceding year corresponding quarter and year-to-date ended 30 September 2024, it represented a decrease of RM9.21 million or 92.53% and RM28.72 million or 79.06% mainly due to lower gross profit contributions coupled with higher staff related cost as a result of increase in staff count for current period.

B2. Review of performance - Comparison with Immediate Preceding Quarter's Results

	Quarter Ended		Variance	
	30.09.2025	30.06.2025		
	RM'000	RM'000	RM'000	%
Revenue	21,647	28,674	(7,027)	(24.51)
PBT	744	611	133	21.77

The Group recorded a decrease in revenue of RM7.03 million or approximately 24.51% for the current quarter ended 30 September 2025 as compared to the preceding quarter ended 30 June 2025. The decrease in revenue was primarily attributed to the decrease in orders from customers mainly from Manufacturing segment during the quarter.

The Group's PBT increase by RM0.13 million or approximately 21.77% for the current quarter ended 30 September 2025 as compared to the preceding quarter ended 30 June 2025 is mainly due to foreign exchange unrealized gain amounting to RM0.4 million in the current quarter offsetted with lower product margin and revenue for the quarter.

B3. Prospects of the Group

SFP Tech specialises in design, development and manufacturing of integrated factory and Automated Equipment Solutions for factory production lines and automation, inclusive of Semiconductor Front-Of-Line Wafer processing equipment, supported by in-house Engineering Supporting Services manufacturing with production capability to customise and process complex precision CNC machined components and sheet metal fabrication, inclusive of module assembly.

The Group has in total 3 manufacturing plants located in Mainland Penang, with a diversified portfolio of Multinational Corporation ("**MNC**") customers across different existing industries such as semiconductor, both wafer Front-Of-Line ("**FOL**") and BackEnd, Electronic Manufacturing Services, Electrical and Electronic products, solar PV, automotive, healthcare, amongst others. The Group has received forecast commitment that are favourable from few existing MNC customers in the semiconductor industries with delivery expected in coming year. Additionally, there are also new potential MNC customers in new industries that the Group is now engaging, such as green energy, defense and aerospace industries with forecast delivery in coming year. Despite geo-politic tensions, the Group foresees business growth and is optimistic of the future performance trajectory.

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. Other income

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 30.09.2025 RM'000	**Unaudited Preceding year quarter 30.09.2024 RM'000**	**Unaudited Current year-to-date 30.09.2025 RM'000**	**Unaudited Preceding year year-to-date 30.09.2024 RM'000**
Government grant	-	174	156	522
Scrap income	96	90	532	423
Rental income	12	296	84	975
Total	**108**	**560**	**772**	**1,920**

B6. Tax expense

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 30.09.2025 RM'000	**Unaudited Preceding year quarter 30.09.2024 RM'000**	**Unaudited Current year-to-date 30.09.2025 RM'000**	**Unaudited Preceding year year-to-date 30.09.2024 RM'000**
Current tax expense				
- Current	45	586	2,285	4,164
Deferred tax expense				
- Current	-	336	-	1,150
- Over accrual in prior year	-	-	(3,001)	-
	45	922	(716)	5,314
Effective tax rate (%)	6.05	9.26	(9.42)	14.63
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group of 6.05% and 9.26% for the current and corresponding quarter respectively was lower than the statutory tax rate of 24.00% mainly due to tax incentive from pioneer status tax exemption of STSB.

B7. Status of corporate proposals

On 9 April 2025, the Company had entered into a Memorandum of Understanding ("**MoU**") with the existing shareholders of RPM Holding, Inc. ("**RPM**" or "**Target Company**") ("**RPM Shareholders**"), to acquire certain equity interest of the Target Company for a purchase consideration to be determined later.

The Board of Directors of SFP Tech ("**Board**") made an announcement on 16 October 2025 that after due discussion, both parties have decided not to proceed with the MoU. Accordingly, the MoU is deemed terminated with immediate effect.

The termination of this MoU is not expected to have any financial impact on the Company. Nevertheless, the Board will continue its effort to explore and evaluate other business collaboration as and when such opportunity arises.

Saved as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim report.

B8. Utilisation of Proceeds from the Initial Public Offering ("IPO")

The Group has fully utilised the proceed from the IPO according to the revised timeline.

B9. Borrowings

As at 30 September 2025, the Group has total borrowings of RM59.45 million as follows:

	Unaudited As at 30.09.2025 RM'000	Audited As at 31.12.2024 RM'000
Non-current liabilities (secured)		
Term loans	25,289	27,436
Hire purchase	13,349	20,130
	38,638	47,566
Current liabilities (secured)		
Term loans	3,001	3,719
Hire purchase	17,813	25,440
	20,814	29,159
Total borrowings		
Term loans	28,290	31,155
Hire purchase	31,162	45,570
	59,452	76,725

The currency of borrowing is as follows:

	Unaudited As at 30.09.2025 RM'000	Audited As at 31.12.2024 RM'000
Ringgit Malaysia	54,854	71,461
United States Dollar	4,598	5,264
	59,452	76,725

B10. Derivative financial instruments

As at 30 September 2025, the Group does not have any derivative financial instruments.

B11. Fair value of financial liabilities

The Group did not have any financial liabilities measured at fair value for the current quarter under review and year-to-date.

B12. Material litigation

The Group is not involved/engaged in any material litigation, claim or arbitration either as plaintiff or defendant and there is no proceeding pending or threatened or any fact likely to give rise to proceedings which might materially affect our position or business as at the date of this report.

B13. Dividend

There was no dividend proposed or declared during the quarter under review save as disclosed in Note A8.

B14. Earnings per share

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 30.09.2025	**Unaudited Preceding year quarter 30.09.2024**	**Unaudited Current year-to-date 30.09.2025**	**Unaudited Preceding year year-to-date 30.09.2024**
Profit attributable to owners	699	9,034	8,320	31,005
Number of ordinary shares in issue ('000)	2,400,000	2,400,000	2,400,000	2,400,000
Weighted average number of ordinary shares in issue ('000)	2,401,899	2,400,000	2,401,899	2,400,000
Basic EPS (sen) [(1)]	0.03	0.38	0.35	1.29
Diluted EPS (sen) [(2)]	0.03	0.38	0.35	1.29

Notes:

(1) Basic EPS is calculated based on the profits attributable to owners of the Company divided by the total number of ordinary shares in issue as at 30 September 2025. Diluted EPS is similar to Basic EPS as the Company does not have any potential dilutive ordinary shares.

(2) Diluted earnings per share is calculated based on the profits attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of potential ordinary shares.

B15. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

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

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 30.09.2025 RM'000	Unaudited Preceding year quarter 30.09.2024 RM'000	Unaudited Current year-to-date 30.09.2025 RM'000	Unaudited Preceding year year-to-date 30.09.2024 RM'000
After charging/(crediting) :				
Amortisation of intangible assets	(67)	257	264	771
Depreciation on				
- Property, plant and equipment	3,786	3,792	11,793	10,497
- Investment property	19	19	57	64
- Right-of-use asset	86	-	251	-
Impairment loss on deposits forfeited	45	-	45	-
Interest income	(60)	(189)	(170)	(647)
Interest expense	684	809	2,801	2,065
(Gain)/loss on foreign exchange				
- realised	455	69	809	321
- unrealised	(934)	6,012	5,031	5,627

Save for the above, the other disclosure items as required under Rule 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

B16. Review by the Company's External Auditors

These financial statements have been completed with a limited review by the Company's external auditors in accordance with the International Standard on Review Engagement, which applies to a review of historical consolidated financial information performed by the independent auditor of the entity.

BY ORDER OF THE BOARD
SFP TECH HOLDINGS BERHAD
21 NOVEMBER 2025