



SORENTO CAPITAL BERHAD

*(Registration No.: 202301018305 (1512227-W))
(Incorporated in Malaysia under the Companies Act 2016)*

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

SORENTO CAPITAL BERHAD

(Registration No.: 202301018305 (1512227-W))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Revenue	47,238	49,705	91,329	94,754
Cost of sales	(25,819)	(29,041)	(50,137)	(55,669)
Gross profit	21,419	20,664	41,192	39,085
Other income	628	457	1,236	510
Administrative expenses	(7,076)	(8,391)	(13,510)	(16,453)
Selling and distribution expenses	(2,959)	(2,495)	(5,795)	(4,963)
Other expenses	(22)	-	(11)	-
Net gain on impairment of financial assets	*	2	*	9
Profit from operations	11,990	10,237	23,112	18,188
Finance costs	(413)	(466)	(823)	(1,106)
Profit before tax	11,577	9,771	22,289	17,082
Taxation	(2,905)	(2,762)	(5,583)	(5,056)
Profit after tax	8,672	7,009	16,706	12,026
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	8,672	7,009	16,706	12,026
Total comprehensive income for the financial period attributable to:				
Owners of the Company	8,672	7,009	16,706	12,026
Non-controlling interest	-	-	-	-
	<u>8,672</u>	<u>7,009</u>	<u>16,706</u>	<u>12,026</u>
Basic earnings per share (sen) ⁽²⁾	<u>1.01</u>	<u>1.23</u>	<u>1.94</u>	<u>2.10</u>
Diluted earnings per share (sen) ⁽³⁾	<u>1.01</u>	<u>1.23</u>	<u>1.94</u>	<u>2.10</u>

Notes:

* Amount less than RM1,000.

- (1) The condensed consolidated statement of profit or loss and other comprehensive income 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.
- (2) Basic earnings per share for the current financial quarter and financial year-to-date period ended 31 December 2025 are computed based on profit attributable to owners of the Company divided by the number of ordinary shares in issue of 860,000,000 respectively. For the corresponding quarter and year-to-date period ended 31 December 2024, they are calculated based on the weighted average number of ordinary shares in issue of 572,011,136 as at the end of the financial period.
- (3) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible securities at the end of the reporting period.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	UNAUDITED 31.12.2025 RM'000	AUDITED 30.06.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	43,527	43,822
Investment properties	1,195	873
Intangible asset	1,333	1,476
Deferred tax assets	168	168
	<u>46,223</u>	<u>46,339</u>
Current assets		
Inventories	33,310	32,063
Trade receivables	40,535	43,307
Other receivables	15,299	13,747
Tax recoverable	1,300	1,997
Other investment	25,432	15,141
Fixed deposits with licensed banks	-	26,251
Cash and bank balances	47,992	17,006
	<u>163,868</u>	<u>149,512</u>
TOTAL ASSETS	<u>210,091</u>	<u>195,851</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	97,767	97,767
Merger deficit	(41,919)	(41,919)
Retained earnings	99,693	87,287
TOTAL EQUITY	<u>155,541</u>	<u>143,135</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	586	262
Lease liabilities	37,054	38,010
Deferred tax liabilities	186	186
	<u>37,826</u>	<u>38,458</u>
Current liabilities		
Loans and borrowings	15	2,451
Lease liabilities	3,109	2,972
Trade payables	193	274
Other payables	10,039	7,005
Tax payable	3,368	1,556
	<u>16,724</u>	<u>14,258</u>
TOTAL LIABILITIES	<u>54,550</u>	<u>52,716</u>
TOTAL EQUITY AND LIABILITIES	<u>210,091</u>	<u>195,851</u>
Net assets per share (RM) ⁽²⁾	<u>0.18</u>	<u>0.17</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) ⁽¹⁾

Notes:

- (1) The condensed consolidated statement of financial position 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.
- (2) Computed based on respective period's total equity attributable to owners of the Company divided by 860,000,000 shares in issue.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	SHARE CAPITAL RM'000	INVESTED EQUITY RM'000	MERGER DEFICIT RM'000	RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
At 1 July 2024 (Audited)	1	381	-	65,350	65,732
Total comprehensive income for the financial period	-	-	-	26,237	26,237
Transactions with owners:					
- Effect of restructuring exercise	42,300	(381)	(41,919)	-	-
- Issuance of share capital	57,350	-	-	-	57,350
- Share issuance expenses	(1,884)	-	-	-	(1,884)
- Dividend to owners of the Company	-	-	-	(4,300)	(4,300)
At 30 June 2025 (Audited)	97,767	-	(41,919)	87,287	143,135
At 1 July 2025 (Audited)	97,767	-	(41,919)	87,287	143,135
Total comprehensive income for the financial period	-	-	-	16,706	16,706
Transaction with owners:					
- Dividend to owners of the Company	-	-	-	(4,300)	(4,300)
At 31 December 2025 (Unaudited)	97,767	-	(41,919)	99,693	155,541

Note:

- (1) The condensed consolidated statement of changes in equity 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.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	CUMULATIVE QUARTER	
	31.12.2025 RM'000	31.12.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	22,289	17,082
Adjustments for:		
Depreciation of property, plant and equipment	2,335	2,203
Gain on disposal of property, plant and equipment	*	(11)
Property, plant and equipment written off	1	-
Depreciation of investment properties	2	6
Gain on disposal of investment properties	(3)	(30)
Amortisation of intangible asset	143	143
Loss on early termination of lease contracts	2	-
Interest expenses	823	1,106
Interest income	(643)	(42)
Dividend income	(299)	-
Reversal of expected credit losses ("ECLs") on trade receivables	*	(9)
Unrealised (gain)/loss on foreign exchange	(18)	6
Fair value loss on other investment	8	-
Operating profit before working capital changes	24,640	20,454
Changes in working capital:		
Inventories	(1,247)	(3,995)
Receivables	1,249	(6,151)
Payables	2,942	(2,808)
Cash generated from operations	27,584	7,500
Interest received	292	15
Tax paid	(4,607)	(3,697)
Tax refund	1,533	-
Net cash from operating activities	24,802	3,818
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,371)	(919)
Proceed from disposal of property, plant and equipment	-	37
Acquisition of investment properties	(671)	-
Proceed from disposal of investment properties	350	395
Placement of other investment	(10,299)	-
Interest received	351	27
Dividend received	299	-
Withdrawal of fixed deposits with maturity more than 3 months	10,198	-
Net cash used in investing activities	(1,143)	(460)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(4,300)	(2,999)
Interest paid	(823)	(1,110)
Drawdown of term loans	600	-
Repayments of term loans	(268)	(36)
Drawdown of bankers' acceptance	-	6,765
Repayments of bankers' acceptance	(2,444)	(16,580)
Drawdown of invoice financing	-	7,068
Repayment of invoice financing	-	(3,119)
Repayments of lease liabilities	(1,491)	(1,365)
Proceed from issuance of share capital	-	57,350
Payment of listing expense	-	(1,884)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

	CUMULATIVE QUARTER	
	31.12.2025 RM'000	31.12.2024 RM'000
Net cash (used in)/from financing activities	<u>(8,726)</u>	<u>44,090</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	14,933	47,448
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	33,059	12,184
Effect of exchange translation differences on cash and cash equivalents	*	(3)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>47,992</u>	<u>59,629</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD COMPRISES:		
Cash and bank balances	47,992	58,100
Fixed deposits with licensed banks	-	1,529
	<u>47,992</u>	<u>59,629</u>

Note:

* Amount less than RM1,000.

(1) The condensed consolidated statement of cash flows 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.

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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 Sorento Capital and its subsidiaries (the “Group”) is unaudited and has been prepared in accordance with the requirements of the MFRS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”).

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

A2. Material accounting policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Company’s audited financial statements for the financial year ended 30 June 2025, save for the following:

MFRSs and amendments to MFRSs in issue and effective

The Group has adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2025:

- Amendments to MFRS 121 – *Lack of Exchangeability*

MFRSs and amendments to MFRSs in issue but not yet effective

The Group has not adopted the following MFRSs and amendments to MFRSs effective for financial periods beginning on or after the following:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A2. Material accounting policies (Cont'd)

MFRSs and amendments to MFRSs in issue but not yet effective (Cont'd)

The Group has not adopted the following MFRSs and amendments to MFRSs effective for financial periods beginning on or after the following: (Cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect on the financial statements of the Group upon their initial application.

A3. Auditors' report on preceding annual financial statements

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2025.

A4. Seasonal or cyclical factors

The Group's business operations were not affected by any seasonal or cyclical factors.

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

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows of the Group, that are unusual by reason of their nature, size or incidence for the financial quarter under review.

A6. Material changes in estimates

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

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial quarter under review.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A8. Dividend paid

An interim single-tier dividend of 0.50 sen per ordinary share amounting to approximately RM4.30 million in respect of the financial year ending 30 June 2026 was declared on 25 August 2025 and paid on 19 September 2025 to shareholders whose names appeared in the Record of Depositors at the close of business on 12 September 2025.

A9. Segment information

Information about operating segment has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely marketing, distribution and sale of bathroom and kitchen sanitary wares.

A10. Valuation of property, plant and equipment, and investment properties

There was no valuation of property, plant and equipment, and investment properties undertaken during the financial quarter under review.

A11. Material events subsequent to the end of the interim financial period

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

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

A13. Fair value of financial instruments

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

A14. Capital commitments

The Group's capital expenditure commitments for property, plant and equipment and investment properties are set out below:

	Unaudited 31.12.2025 RM'000	Audited 30.06.2025 RM'000
Capital expenditure		
Authorised and contracted for:		
- Computers and software	-	130
- Investment properties	4,047	4,706
- Renovation	990	-
Total	5,037	4,836

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A15. Contingent assets and contingent liabilities

There were no material contingent assets or contingent liabilities as at the end of the financial quarter under review.

A16. Significant related party transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions with related parties of the Group during the current financial quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000
Transactions with related parties				
Sales of goods	11	54	38	120
Rental paid to (MFRS 16)	900	900	1,800	1,800
Acquisition of property, plant and equipment from	-	-	-	1
Upkeep of warehouse paid to	*	*	*	*

Note:

* Amount less than RM1,000.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000
Revenue	47,238	49,705	91,329	94,754
Gross profit	21,419	20,664	41,192	39,085
Profit before tax ("PBT")	11,577	9,771	22,289	17,082
Profit after tax ("PAT")	8,672	7,009	16,706	12,026

(a) Comparison of the current quarter with preceding year's corresponding quarter results (Q2 FY2026 vs Q2 FY2025)

For the Q2 FY2026, the Group recorded revenue of RM47.24 million representing a decline of RM2.47 million or 4.97% as compared to RM49.71 million in the Q2 FY2025. The decrease was mainly attributable to lower revenue contribution from sales to dealers, which declined by RM2.70 million or 8.10% from RM33.35 million in Q2 FY2025 to RM30.65 million. This was partially offset by an increase in project-based sales by RM0.32 million to RM16.33 million as compared to RM16.01 million in Q2 FY2025.

Despite the lower revenue, the Group recorded stronger profitability performance in Q2 FY2026. Gross profit increased by RM0.76 million or 3.68% to RM21.42 million, with gross profit margin increased from 41.56% in Q2 FY2025 to 45.34% in Q2 FY2026. This was attributable to improved cost management and enhanced operating efficiency.

Consequently, the PBT increased by RM1.81 million or 18.53% to RM11.58 million while the PAT increased by RM1.66 million or 23.68% to RM8.67 million. This was primarily due to the Group's lower operating expenses with the absence of one-off listing expenses that were incurred in the last financial year in relation to the Company's IPO.

(b) Comparison of current year-to-date with preceding year's corresponding year-to-date results (6M FY2026 vs 6M FY2025)

For the six (6)-month financial period ended 31 December 2025, the Group recorded revenue of RM91.33 million, representing a decline of RM3.42 million or 3.61% as compared to RM94.75 million recorded in the 6M FY2025. The decrease was mainly attributable to lower revenue contribution from sales to dealers, which declined by RM1.04 million or 1.71% from RM60.80 million in 6M FY2025 to RM59.76 million. Revenue derived from project-based sales has also declined by RM2.22 million or 6.70% from RM33.13 million in 6M FY2025 to RM30.91 million.

Notwithstanding the above, the gross profit increased by RM2.10 million or 5.37% to RM41.19 million attributable to improved cost management and operating efficiency.

The Group registered PBT of RM22.29 million for the 6M FY2026, representing an increase of RM5.21 million or 30.50% as compared to RM17.08 million in 6M FY2025. The PAT also increased by RM4.68 million or 38.90% to RM16.71 million as compared to RM12.03 million in the 6M FY2025.

In summary, although revenue was marginally lower on a year-to-date basis, the Group's overall financial performance has improved driven by effective cost management initiative and the absence of non-recurring IPO-related expenses incurred in the prior financial year, which contributed to stronger profit for the 6M FY2026.

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

B2. Comparison with immediate preceding quarter's results (Q2 FY2026 vs Q1 FY2026)

	INDIVIDUAL QUARTER		VARIANCE	
	CURRENT QUARTER 31.12.2025 RM'000	PRECEDING QUARTER 30.09.2025 RM'000	RM'000	%
Revenue	47,238	44,091	3,147	7.14
Gross Profit	21,419	19,773	1,646	8.32
PBT	11,577	10,712	865	8.08
PAT	8,672	8,034	638	7.94

For Q2 FY2026, the Group recorded revenue of RM47.24 million representing an increase of RM3.15 million or 7.14% as compared to RM44.09 million in Q1 FY2026. This growth was primarily driven by stronger sales activity and improved market demand, supported by ongoing marketing efforts and expanded customer base.

Correspondingly, gross profit increased by RM1.65 million or 8.32% to RM21.42 million as compared to RM19.77 million in Q1 FY2026. This was in line with the increase in revenue and further supported by improved cost control measures, resulting in a healthier gross profit margin.

The Group's PBT increased by RM0.87 million or 8.08% to RM11.58 million as compared to RM10.71 million in Q1 FY2026, supported by higher gross profit and effective control over operating expenses. The PAT also improved by RM0.64 million or 7.94% to RM8.67 million reflecting enhanced operational leverage of the Group.

B3. Prospects

In 2026, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System, continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026. In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors.

(Source: Economic Outlook 2026, Ministry of Finance)

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

B3. Prospects (Cont'd)

Resilient domestic demand and stable employment conditions are also expected to continue anchoring consumption in the year ahead, with private consumption projected to grow and remain a key contributor to overall economic expansion. This environment is anticipated to continue to support household spending on renovation, refurbishment, and new build projects, which remain as crucial demand driver for sanitary ware and kitchen ware products.

Meanwhile, evolving customer preferences are shifting towards higher-quality, functional and sustainable home products, reflecting broader lifestyle trends towards improved living standards and sustainability considerations. While external risks such as volatility in raw material cost, currency fluctuations, and global demand uncertainties remain, the Group's strong product differentiation, brand positioning, operational efficiencies and effective distribution strategies are expected to help navigate these challenges and position the Group to benefit from long-term market growth.

Against this backdrop, the Group remains focused on enhancing its product offerings and innovation, maintaining cost discipline, and leveraging market opportunities to sustain its competitive advantages and deliver long-term value to shareholders.

B4. Profit forecast

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

B5. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000
Current period income tax	2,905	2,762	5,583	5,056
Total	2,905	2,762	5,583	5,056
Effective tax rate (%) ⁽¹⁾	25	28	25	30

Note:

- (1) The effective tax rate for the current year-to-date period ended 31 December 2025 was slightly higher than the statutory tax rate of 24% mainly due to expenses including, amongst others, depreciation and amortisation, and unrealised loss in foreign exchange which are not deductible for tax purposes.

B6. Status of corporate proposals

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

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

B7. Utilisation of proceeds raised from the public issue

The status of the utilisation of proceeds from the IPO as at 31 December 2025 is set out below:

DETAILS OF THE USE OF PROCEEDS	PROPOSED UTILISATION		ACTUAL UTILISATION RM'000	BALANCE UNUTILISED RM'000	ESTIMATED TIMEFRAME FOR UTILISATION FROM THE DATE OF LISTING
	RM'000	%			
Branding and promotional marketing	6,000	10.46	2,422	3,578	Within 36 months
Expansion of dealer network and enhancement of distribution reach	6,000	10.46	2,703	3,297	Within 36 months
Repayment of bank borrowings	9,000	15.69	9,000	-	Within 12 months
Working capital for purchase of inventories	31,350	54.67	31,350	-	Within 24 months
Listing expenses	5,000	8.72	5,000	-	Within one month
Total	57,350	100.00	50,475	6,875	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 7 October 2024 in relation to its IPO.

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

B8. Loans and borrowings

The Group's loans and borrowings are as follows:

	Unaudited 31.12.2025 RM'000	Audited 30.06.2025 RM'000
Non-current liabilities		
Secured		
Term loans	586	262
Lease liabilities ⁽¹⁾	2,078	2,477
	<u>2,664</u>	<u>2,739</u>
Current liabilities		
Secured		
Bankers' acceptance	-	2,444
Term loans	15	7
Lease liabilities ⁽¹⁾	786	763
	<u>801</u>	<u>3,214</u>
	<u>3,465</u>	<u>5,953</u>

The loans and borrowings are secured by way of corporate guarantee by the Company and a subsidiary.

The loans and borrowings and other facilities are denoted in local currency.

Note:

- (1) Refer to finance lease liabilities under hire purchase contracts owing to financial institution.

B9. Material litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10. Proposed dividend

On 12 February 2026, the Board has declared and approved an interim single-tier dividend of 0.50 sen per ordinary share in respect of the financial year ending 30 June 2026, to be paid on 13 March 2026 to shareholders whose name appeared on the Record of Depositors of the Company on 5 March 2026.

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

B11. Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000
Profit attributable to owners of the Company (RM'000)	8,672	7,009	16,706	12,026
Number of shares in issue ('000)	860,000	572,011	860,000	572,011
Basic earnings per share (sen) ⁽¹⁾	1.01	1.23	1.94	2.10
Diluted earnings per share (sen) ⁽²⁾	1.01	1.23	1.94	2.10

Notes:

- (1) Basic earnings per share for the current financial quarter and financial year-to-date period ended 31 December 2025 are computed based on profit attributable to owners of the Company divided by the number of ordinary shares in issue of 860,000,000 respectively. For the corresponding quarter and year-to-date period ended 31 December 2024, they are calculated based on the weighted average number of ordinary shares in issue of 572,011,136 as at the end of the financial period.
- (2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible securities at the end of the reporting period.

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

B12. Notes to the unaudited condensed consolidated statement of profit or loss and other comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000
The following amounts have been included in arriving at profit before tax:				
Depreciation of property, plant and equipment	1,182	1,116	2,335	2,203
Depreciation of investment properties	*	2	2	6
Amortisation of intangible asset	72	72	143	143
Property, plant and equipment written off	-	-	1	-
Fair value loss on other investment	8	-	8	-
Loss on early termination of lease contracts	2	-	2	-
Short-term leases	324	327	579	658
Unrealised loss on foreign exchange	12	-	-	6
and after crediting:				
Dividend income	168	-	299	-
Gain on disposal of property, plant and equipment	*	23	*	11
Gain on disposal of investment properties	3	30	3	30
Interest income				
- Fixed deposits with licensed banks	198	14	351	27
- Cash and cash equivalents	249	10	292	15
Realised gain on foreign exchange	5	118	218	262
Reversal of ECLs on trade receivables	*	2	*	9
Unrealised gain on foreign exchange	-	100	18	-

Note:

* Amount less than RM1,000.

By Order of the Board

Date: 12 February 2026