

**HIAP TECK VENTURE BERHAD**  
(Registration No. 199701005844 (421340-U))  
(Incorporated in Malaysia)

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for second quarter ended 31 January 2026**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/01/2026	31/01/2025	31/01/2026	31/01/2025
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	397,374	348,258	781,578	749,977
Cost of Sales	(379,035)	(334,196)	(736,540)	(729,646)
Gross Profit	18,339	14,062	45,038	20,331
Other Income	1,381	215	2,734	3,234
Operating Expenses	(14,461)	(13,940)	(26,960)	(25,848)
Profit/(Loss) from Operations	5,259	337	20,812	(2,283)
Finance Costs	(5,011)	(5,953)	(9,867)	(13,373)
Finance Income	465	627	996	1,087
Share of profit of equity-accounted investees, net of tax	70,619	25,335	106,420	67,317
<b>Profit Before Tax</b>	71,332	20,346	118,361	52,748
Tax expense	(2,420)	398	(5,791)	2,886
<b>Profit for the Period</b>	68,912	20,744	112,570	55,634
<b>Other Comprehensive Income/(Loss)</b>				
Fair value profit on other investments	-	-	-	-
Foreign currency translation differences for foreign operations	(7)	(4)	(11)	34
	(7)	(4)	(11)	34
<b>Total Comprehensive Income</b>	68,905	20,740	112,559	55,668
<b>Profit Attributable to:</b>				
Owners of the parent	68,777	20,436	112,269	55,134
Non-Controlling Interests	135	308	301	500
	68,912	20,744	112,570	55,634
<b>Total Comprehensive Income Attributable to:</b>				
Owners of the parent	68,770	20,432	112,258	55,168
Non-Controlling Interests	135	308	301	500
	68,905	20,740	112,559	55,668
<b>Earnings Per Share (EPS)</b>				
(a) Basic (sen)	3.95	1.17	6.44	3.16
(b) Diluted (sen)	NA	NA	NA	NA

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2025 and the accompanying explanatory notes attached to the interim financial statements.

**HIAP TECK VENTURE BERHAD**  
(Registration No. 199701005844 (421340-U))  
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**Condensed Consolidated Statements of Financial Position as at 31 January 2026**

	<b>31/01/2026</b> <b>(Unaudited)</b>	<b>31/07/2025</b> <b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	333,803	344,069
Right-of-use assets	1,031	1,279
Investment properties	57,081	57,224
Investment in joint venture	969,709	863,262
Other investments	140	140
Deferred tax assets	15,963	15,963
	<u>1,377,727</u>	<u>1,281,937</u>
<b>Current assets</b>		
Inventories	335,518	400,160
Trade and other receivables	357,338	293,235
Derivative financial assets	192	389
Current tax assets	782	12,107
Other investments	3,159	3,049
Cash and cash equivalents	99,195	94,974
	<u>796,184</u>	<u>803,914</u>
<b>Total assets</b>	<b><u>2,173,911</u></b>	<b><u>2,085,851</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	872,654	872,654
Treasury shares	(7,499)	(7,499)
Translation reserves	(328)	(317)
Retained earnings	723,069	619,511
	<u>1,587,896</u>	<u>1,484,349</u>
Non-Controlling Interests	775	474
<b>Total equity</b>	<b><u>1,588,671</u></b>	<b><u>1,484,823</u></b>
<b>Non-current liabilities</b>		
Loans and borrowings	24,924	27,921
Lease liabilities	618	837
Deferred tax liabilities	12,800	13,047
	<u>38,342</u>	<u>41,805</u>
<b>Current liabilities</b>		
Loans and borrowings	491,633	457,245
Trade and other payables	50,606	97,863
Lease liabilities	424	493
Contract liabilities	-	2,922
Current tax payable	4,235	700
	<u>546,898</u>	<u>559,223</u>
<b>Total liabilities</b>	<b><u>585,240</u></b>	<b><u>601,028</u></b>
<b>Total equity and liabilities</b>	<b><u>2,173,911</u></b>	<b><u>2,085,851</u></b>
Net assets per share attributable to owners of the parent (RM)	0.9119	0.8523

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2025 and the accompanying explanatory notes attached to the interim financial statements.

**HIAP TECK VENTURE BERHAD**  
**(Registration No. 199701005844 (421340-U))**  
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**Condensed Consolidated Statements of Cash Flows for the period ended 31 January 2026**

	<b>Current Year To-date 31/01/2026 RM'000</b>	<b>Preceding Year Corresponding Period 31/01/2025 RM'000</b>
<b><u>Operating Activities</u></b>		
Profit Before Tax	118,361	52,748
Adjustments for:		
Net impairment of trade receivables	628	-
Dividend income	(20)	-
Depreciation of investment properties	143	141
Depreciation of property, plant and equipment	15,911	12,588
Depreciation of right-of-use assets	248	454
Fair value loss/(gain) on foreign exchange derivative	197	(2,629)
Finance income:		
Other investments	(15)	(27)
Deposits with licensed banks	(981)	(1,061)
Gain on disposal of property, plant and equipment	(2,379)	(1,903)
Finance costs	9,867	13,373
Net unrealised foreign exchange loss	367	(419)
Property, plant and equipment written off	-	17
Reversal of inventories to net realisable value	(10,699)	-
Share of profit of equity-accounted joint venture, net of tax	(106,420)	(67,317)
Operating profit before changes in working capital	25,208	5,965
Net changes in inventory	75,341	47,234
Net changes in trade and other receivables	(64,931)	100,750
Net changes in trade and other payables	(47,454)	(80,266)
Contract liabilities	(2,922)	-
Cash (used in)/generated from operations	(14,758)	73,683
Interest paid	(9,847)	(13,322)
Net income tax paid	8,822	(3,448)
<b>Net cash (used in)/generated from operating activities</b>	<b>(15,783)</b>	<b>56,913</b>
<b><u>Investing Activities</u></b>		
Additional investment in equity-accounted joint venture	(27)	-
Dividend income	20	-
Finance income:		
Other investments	15	27
Deposits with licensed banks	981	1,061
Increase in other investments	(110)	(2,534)
Proceeds from disposal of property, plant and equipment	5,960	2,999
Purchase of property, plant and equipment	(9,226)	(49,272)
Purchase of investment properties	-	(10,936)
<b>Net cash used in investing activities</b>	<b>(2,387)</b>	<b>(58,655)</b>
<b><u>Financing Activities</u></b>		
Dividend paid	(8,711)	(8,711)
Payment of lease liabilities	(308)	(497)
Drawdown of borrowings (net)	31,391	24,112
<b>Net cash generated from financing activities</b>	<b>22,372</b>	<b>14,904</b>
Net Increase in Cash and Cash Equivalents	4,202	13,162
Effect of exchange rate changes	19	(33)
Cash and Cash Equivalents at beginning of period	94,974	93,881
Cash and Cash Equivalents at end of period	<u>99,195</u>	<u>107,010</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2025 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD  
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Condensed Consolidated Statements of Changes in Equity for the period ended 31 January 2026

	-----> Attributable to equity holders of the parent <----->							
	----- Non-distributable -----			<-Distributable->				
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserves RM'000	Fair Value Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>As at end of current quarter ended 31 January 2026</b>								
Opening balance as at 1 August 2025	872,654	(7,499)	(317)	-	619,511	1,484,349	474	1,484,823
Total comprehensive income	-	-	(11)	-	112,269	112,258	301	112,559
<b>Transactions with owners</b>								
Final dividend for the financial year ended 31 July 2025 (Single tier of 0.5 sen)	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Transactions with owners</b>	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Closing balance as at 31 January 2026</b>	<u>872,654</u>	<u>(7,499)</u>	<u>(328)</u>	<u>-</u>	<u>723,069</u>	<u>1,587,896</u>	<u>775</u>	<u>1,588,671</u>
<b>As at preceding year corresponding quarter ended 31 January 2025</b>								
Opening balance as at 1 August 2024	872,654	(7,499)	(353)	-	519,107	1,383,909	754	1,384,663
Total comprehensive income	-	-	34	-	55,134	55,168	500	55,668
<b>Transactions with owners</b>								
Final dividend for the financial year ended 31 July 2024 (Single tier of 0.5 sen)	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Transactions with owners</b>	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Closing balance as at 31 January 2025</b>	<u>872,654</u>	<u>(7,499)</u>	<u>(319)</u>	<u>-</u>	<u>565,530</u>	<u>1,430,366</u>	<u>1,254</u>	<u>1,431,620</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2025 and the accompanying explanatory notes attached to the statements.

**Explanatory Notes on the Quarterly Report – Second Quarter ended 31 January 2026**

**PART A : EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**1. Basis of preparation**

These interim financial statements are unaudited and have been prepared in accordance with MFRS 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 July 2025. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2025.

**2. Significant Accounting Policies**

This interim financial report has been prepared based on accounting policies and methods of computation which are consistent with those adopted in the annual audited financial statements for the year ended 31 July 2025.

The Group has not adopted the following standards, interpretations and amendments that have been issued but not yet effective:

***MFRS Accounting Standards, interpretations and amendments 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*

## 2. Significant Accounting Policies (cont'd)

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

### ***MFRS Accounting Standards, interpretations and amendments 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*

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a 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 Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 August 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 August 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 August 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

## 3. Audit qualification

There were no audit qualifications on the annual financial statements of the Group for the year ended 31 July 2025.

#### **4. Seasonal or cyclical factors**

The Group's business operations are not materially affected by any major seasonal factors except during Hari Raya and Chinese New Year festive seasons where business activities generally slow down.

#### **5. Material unusual items**

There were no items of an unusual nature or amount affecting assets, liabilities, equity, net income or cash flows during the quarter.

#### **6. Material changes in estimates**

There were no material changes in estimates of amount reported in prior interim period that have material impact in the current quarter under review.

#### **7. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities**

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter under review. As at quarter ended 31 January 2026, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

#### **8. Dividend paid**

A single tier dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 July 2025 was approved by the shareholders at the 29<sup>th</sup> Annual General Meeting of the Company held on 17 December 2025. A total of RM8,711,149 was paid on 16 January 2026 to depositors registered in the Record of Depositors at the close of business on 5 January 2026.

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## 9. Segment information

The Group's activities are identified into the following business segments:

6 months ended 31 January 2026								
	<u>Trading</u> <u>RM'000</u>	<u>Manufac-</u> <u>turing</u> <u>RM'000</u>	<u>Property</u> <u>and</u> <u>Investment</u> <u>RM'000</u>	<u>Transport-</u> <u>ation</u> <u>RM'000</u>	<u>Mining</u> <u>explor-</u> <u>ation</u> <u>RM'000</u>	<u>Selling of</u> <u>Electricity</u> <u>RM'000</u>	<u>Others/</u> <u>Elimination</u> <u>RM'000</u>	<u>Group</u> <u>RM'000</u>
<b>SALES</b>								
- External sales	437,206	335,367	-	(62)	1,030	8,037	-	781,578
- Intersegment sales	-	4,289	15,418	1,408	-	-	(21,115)	-
<b>Total sales</b>	<b>437,206</b>	<b>339,656</b>	<b>15,418</b>	<b>1,346</b>	<b>1,030</b>	<b>8,037</b>	<b>(21,115)</b>	<b>781,578</b>
<b>RESULTS</b>								
Finance income	455	472	29	3	-	37	-	996
Finance costs	(5,743)	(4,104)	(20)	-	-	-	-	(9,867)
Depreciation & amortisation	(843)	(13,508)	(1,353)	(170)	(359)	(69)	-	(16,302)
Share of profit of joint venture	-	-	-	-	-	-	106,420	106,420
Segment (loss) / profit	(7,338)	14,876	3,114	(97)	622	764	106,420	118,361

6 months ended 31 January 2025								
	<u>Trading</u> <u>RM'000</u>	<u>Manufac-</u> <u>turing</u> <u>RM'000</u>	<u>Property</u> <u>and</u> <u>Investment</u> <u>RM'000</u>	<u>Transport-</u> <u>ation</u> <u>RM'000</u>	<u>Mining</u> <u>explor-</u> <u>ation</u> <u>RM'000</u>	<u>Selling of</u> <u>Electricity</u> <u>RM'000</u>	<u>Others/</u> <u>Elimination</u> <u>RM'000</u>	<u>Group</u> <u>RM'000</u>
<b>SALES</b>								
- External sales	363,750	373,819	(139)	(87)	1,578	11,056	-	749,977
- Intersegment sales	-	22,326	14,488	1,773	-	-	(38,587)	-
<b>Total sales</b>	<b>363,750</b>	<b>396,145</b>	<b>14,349</b>	<b>1,686</b>	<b>1,578</b>	<b>11,056</b>	<b>(38,587)</b>	<b>749,977</b>
<b>RESULTS</b>								
Finance income	552	456	42	9	-	28	-	1,087
Finance costs	(7,047)	(6,275)	(51)	-	-	-	-	(13,373)
Depreciation & amortisation	(247)	(10,567)	(1,700)	(82)	(518)	(69)	-	(13,183)
Share of profit of joint venture	-	-	-	-	-	-	67,317	67,317
Segment (loss) / profit	(23,855)	5,848	1,355	27	1,003	1,053	67,317	52,748

## 10. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the previous annual report.

## 11. Significant events

There were no material events subsequent to the end of the interim period up to the date of this report.

## 12. Changes in the composition of the Group

There were no significant changes in the composition of the Group as at the date of this report, except for the following:

Hiap Teck Resources Sdn. Bhd. (“HTR”), a wholly-owned subsidiary of the Company, subscribed on 23 January 2026 for 27,300 shares in East Coast Eastern Steel Industrial Park Sdn. Bhd. (“ECESIPSB”) at RM1.00 per share, representing a 27.3% equity interest. ECESIPSB is principally involved in the operation and management of the East Coast Eastern Steel Industrial Park, which is being developed by the Group’s Joint Venture company, Eastern Steel Sdn. Bhd. (“ESSB”), within its plant area in Kemaman, Terengganu, with the objective of attracting investments that support ESSB’s industrial chain.

Following the subscription, the shareholding structure of ECESIPSB is Jianlong Holdings Sdn. Bhd. (68.8%), HTR (27.3%), and Chinaco Investment Pte. Ltd. (3.9%).

## 13. Changes in contingent liabilities and assets

The Group has no contingent liabilities and assets as at 31 January 2026.

## 14. Capital commitments

The amount of commitments not provided for in the interim financial reports as at 31 January 2026 is as follows:

	RM'000
Property, plant and equipment	
- Authorised and contracted for	1,585
- Authorised but not contracted for	2,000
	3,585

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## 15. Related party transactions

Related party transactions for the quarter under review in which certain Directors have direct/indirect interest are as follows:

	<b>Group</b>	
	<b>Current year quarter</b>	<b>Current year-to- date</b>
	<b>31.01.2026</b>	<b>31.01.2026</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchases of steel products by certain wholly owned subsidiaries of the Group from JK Ji Seng Sdn.Bhd.	81,734	190,534
Rent of office space by Hiap Teck Venture Berhad from Pedoman Cekap Sdn. Bhd.	154	308

These transactions have been entered into in the normal course of business and at arm's length basis and on terms no more favorable to the related party than those generally available to the public and are not detrimental to minority shareholders.

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**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**16. Review of performance**

Table 1: Financial review for current quarter and financial year to date for the quarter ended 31 January 2026.

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Year	Preceding Year	Amount	%	Current Year	Preceding Year	Amount	%
	Quarter	Corresponding Quarter			To-date	Corresponding Period		
	31/01/2026	31/01/2025	31/01/2026	31/01/2025				
RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	
<b>Revenue</b>	397,374	348,258	49,116	14%	781,578	749,977	31,601	4%
<b>Gross profit</b>	18,339	14,062	4,277	30%	45,038	20,331	24,707	122%
<b>Profit/(Loss) from operations</b>	5,259	337	4,922	1460%	20,812	(2,283)	23,095	1012%
<b>Share of profit of equity-accounted investees, net of tax</b>	70,619	25,335	45,284	179%	106,420	67,317	39,103	58%
<b>Profit before tax</b>	71,332	20,346	50,986	251%	118,361	52,748	65,613	124%
<b>Profit for the period</b>	68,912	20,744	48,168	232%	112,570	55,634	56,936	102%
<b>Profit attributable to:</b>								
Owners of the parent	68,777	20,436	48,341	237%	112,269	55,134	57,135	104%
Non-controlling interests	135	308	(173)	-56%	301	500	(199)	-40%
	68,912	20,744	48,168	232%	112,570	55,634	56,936	102%

In the current quarter under review, the Group recorded revenue of RM397.374 million, representing an increase of 14% compared with RM348.258 million in the corresponding quarter last year. The increase was mainly driven by higher overall sales volumes, despite softer average selling prices during the period.

Revenue from the Trading division increased by 54% to RM240.408 million (Q2 FY2025: RM156.399 million), supported by higher trading volumes during the quarter. Meanwhile, the Manufacturing division recorded revenue of RM154.073 million, representing a decrease of 22% from RM196.694 million in the corresponding quarter last year, mainly due to lower sales volumes and weaker selling prices.

The Group reported profit from operations of RM5.259 million, compared with RM0.337 million in the same quarter last year, mainly attributable to lower cost of sales and narrower losses from the trading division during the quarter.

Meanwhile, the share of profit from the Joint Venture entity increased significantly to RM70.619 million, compared with RM25.335 million in the corresponding quarter last year. The stronger contribution was mainly attributable to improved operational performance, supported by a higher proportion of Hot Rolled Coil sales during the quarter, as well as positive foreign exchange translation impacts.

Accordingly, the Group recorded Profit Before Tax (“PBT”) of RM71.332 million for the quarter, compared with RM20.346 million in the corresponding quarter of the preceding financial year, largely driven by the stronger contribution from the Joint Venture entity.

## 17. Comparison with immediate preceding quarter's results

Table 2: Financial review for current quarter compared with immediate preceding quarter.

	Individual Quarter		Changes	
	Current Year Quarter 31/01/2026	Immediate Preceding Quarter 31/10/2025	Amount	%
	RM'000	RM'000	RM'000	%
<b>Revenue</b>	397,374	384,204	13,170	3%
<b>Gross profit</b>	18,339	26,699	(8,360)	-31%
<b>Profit from operations</b>	5,259	15,553	(10,294)	-66%
<b>Share of profit of equity-accounted investees, net of tax</b>	70,619	35,801	34,818	97%
<b>Profit before tax</b>	71,332	47,029	24,303	52%
<b>Profit for the period</b>	68,912	43,658	25,254	58%
<b>Profit attributable to:</b>				
Owners of the parent	68,777	43,492	25,285	58%
Non-controlling interests	135	166	(31)	-19%
	68,912	43,658	25,254	58%

For the current quarter, the Group's revenue increased by 3% to RM397.374 million, compared with RM384.204 million in the preceding quarter, mainly driven by higher trading volumes despite continued softness in average selling prices.

The Group reported profit from operations of RM5.259 million, compared with RM15.553 million in the preceding quarter, mainly attributable to higher cost of sales and tighter operating margins during the quarter.

Despite the lower operating margin, Profit Before Tax ("PBT") increased significantly to RM71.332 million, compared with RM47.029 million in the preceding quarter. The improvement was mainly due to a higher contribution from the Joint Venture of RM70.619 million, compared with RM35.801 million in the preceding quarter, primarily driven by positive unrealised foreign exchange translation impacts.

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## **18. Prospects**

Global steel market conditions remain challenging, with prices continuing to face pressure amid cautious demand and persistent supply imbalances. Elevated steel exports from China continue to weigh on regional steel pricing, while geopolitical developments, including tensions in the Middle East, may contribute to volatility in energy prices, logistics costs and global trade flows.

Domestically, Malaysia's economy remained resilient, with GDP expanding by 6.3% in the fourth quarter of 2025 and 5.2% for the full year, supported by sustained domestic demand and investment activities. These developments are expected to provide continued underlying support to the construction and manufacturing sectors, which in turn support demand for steel products.

From an industry perspective, ongoing policy initiatives such as the Steel Industry Roadmap 2035 (SIR2035), together with the gradual implementation of carbon-related regulatory measures, are expected to shape the longer-term development of the Malaysian steel industry, particularly in areas relating to industry rationalisation, regulatory compliance and sustainability.

Operationally, the Joint Venture's 1,450 mm Hot Rolled Coil ("HRC") production line continues to improve its operational performance and utilisation, which is expected to enhance operating efficiency and contribute positively to the Group.

Against this backdrop, the Group will continue to focus on operational efficiency, prudent cost management and disciplined trading activities, while leveraging its diversified business segments to support sustainable performance in the coming quarters.

## **19. Variance of actual and forecast profit**

Not applicable.

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## 20. Tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding Year Corresponding Quarter	Current year-to-date	Preceding Year Corresponding Period
	31.01.2026	31.01.2025	31.01.2026	31.01.2025
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year	2,582	2,092	6,068	3,579
- prior year	-	-	(31)	(31)
Deferred tax				
- current year	(115)	(2,490)	(144)	(6,434)
- prior year	(47)	-	(102)	-
	2,420	(398)	5,791	(2,886)

The Group's effective tax rate for the current year-to-date was higher than the statutory income tax rate, after excluding the share of profit of the joint venture, mainly due to losses incurred by certain subsidiaries where group relief was not available and the non-recognition of deferred tax assets on unutilised tax losses.

## 21. Status of corporate proposal

There was no corporate proposal as at the date of this announcement.

## 22. Loans and borrowings

The Group's borrowings are as follows:

	As at 31.01.2026	As at 31.07.2025
	RM'000	RM'000
<b>Long-Term</b>		
Term loan	24,924	27,921
	<b>24,924</b>	<b>27,921</b>
<b>Short-Term</b>		
Bankers' acceptances	273,000	292,964
Post shipment buyer loan	55,399	56,333
Accepted bills	94,925	69,281
Revolving credit	62,000	33,000
Term loan	6,309	5,667
	491,633	457,245
<b>Total</b>	<b>516,557</b>	<b>485,166</b>

All borrowings are secured by corporate guarantees of the Company. The financial impact of the guarantees is not material as the subsidiaries concerned are in positive financial standings to meet their obligations as and when they fall due.

### 23. Material litigation

There is no material litigation for the quarter under review.

### 24. Dividend

The Board of Directors does not recommend any dividend for the period under review.

### 25. Earnings per share (“EPS”)

The basic earnings per share is calculated by dividing the Group’s net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2026	Preceding Year Corresponding Quarter 31.01.2025	Current Year To-Date 31.01.2026	Preceding Year Corresponding Period 31.01.2025
Profit attributable to owners of the parent (RM'000)	68,777	20,436	112,269	55,134
Weighted average number of ordinary shares in issue ('000)	1,742,230	1,742,230	1,742,230	1,742,230
<b>Basic earnings per share (sen)</b>	<b>3.95</b>	<b>1.17</b>	<b>6.44</b>	<b>3.16</b>

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

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## 26. Profit from operations

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2026 RM'000	Preceding Year Corresponding Quarter 31.01.2025 RM'000	Current Year-to-date 31.01.2026 RM'000	Preceding Year Corresponding Period 31.01.2025 RM'000
<i>Profit for the period is arrived at after charging:</i>				
Depreciation of property, plant and equipment	7,973	6,849	15,911	12,588
Depreciation of investment properties	71	71	143	141
Depreciation of right-of-use assets	124	227	248	454
Fair value loss/(gain) on foreign exchange derivative	62	112	197	(2,629)
Finance costs	5,011	5,953	9,867	13,373
Net impairment on impairment of trade receivables	628	-	628	-
Reversal of inventories to net realisable value	(6,197)	-	(10,699)	-
<i>and after crediting / (charging):</i>				
Finance income:				
Other investments	5	14	15	27
Deposits with licensed banks	460	614	981	1,061
Gain on disposal of property, plant and equipment	1,548	855	2,379	1,903
Net foreign exchange (loss)/gain				
Realised	68	(739)	126	(881)
Unrealised	(167)	441	(367)	419
Rental income	260	259	519	518
Share of profit of equity-accounted joint venture, net of tax	70,619	25,335	106,420	67,317

## 27. Authorisation for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors on 25 March 2026.