

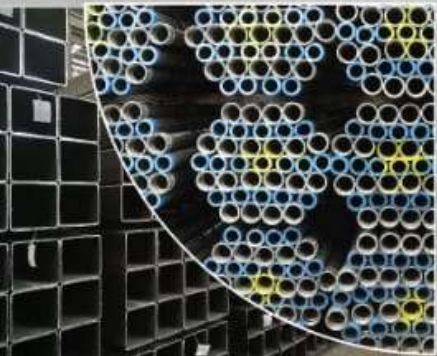


HTVB

HIAP TECK VENTURE BERHAD

Registration No. 199701005844 (421340-U)

协德集团

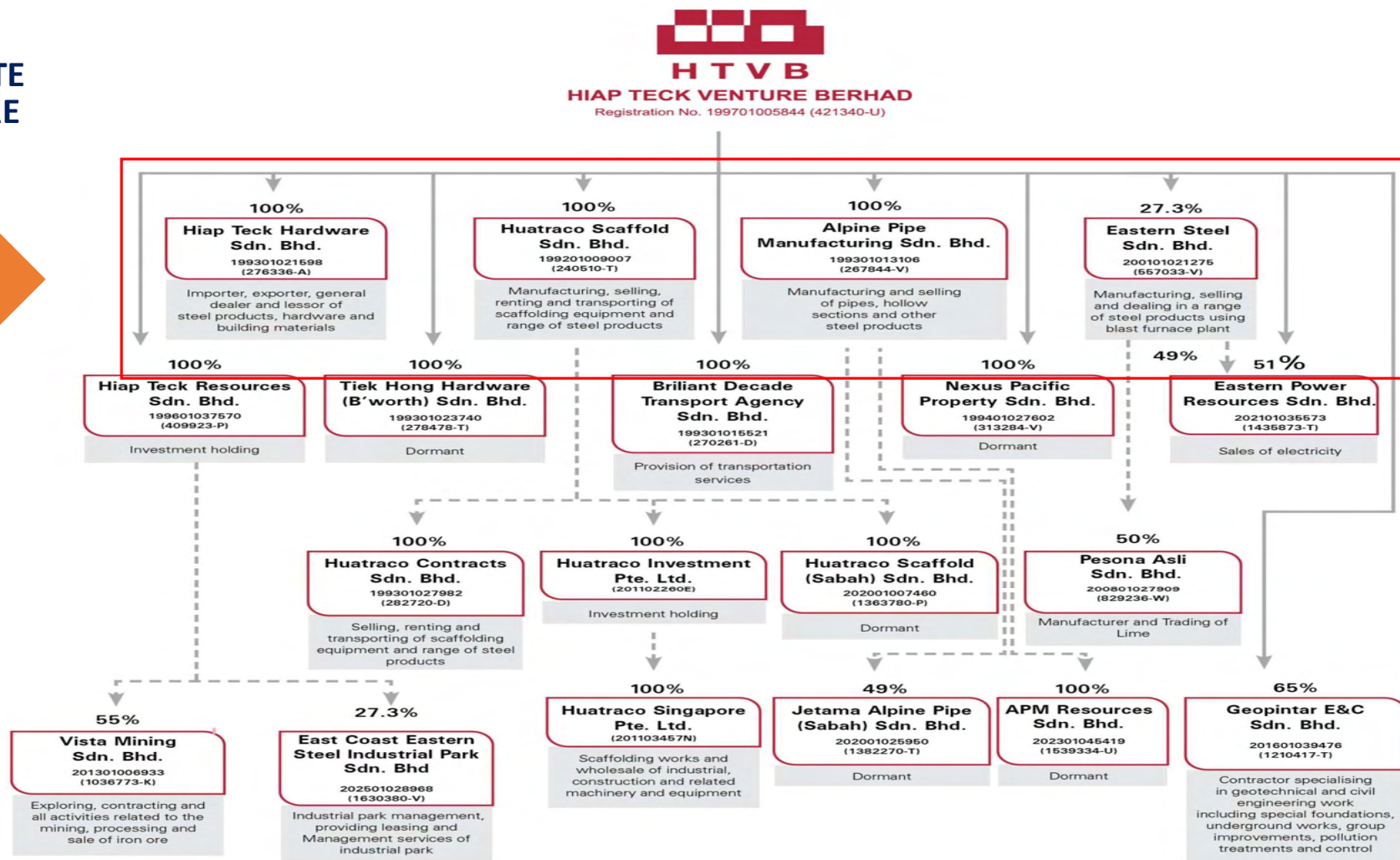


ANALYSTS' BRIEFING Q4 / FY 2026 PERFORMANCE REVIEW

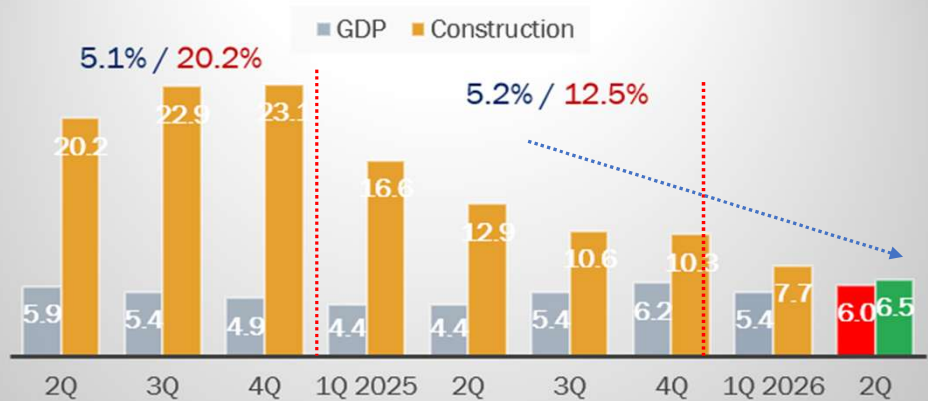
21st October 2026

CORPORATE STRUCTURE (31 JULY 2026)

Key Operating
Units

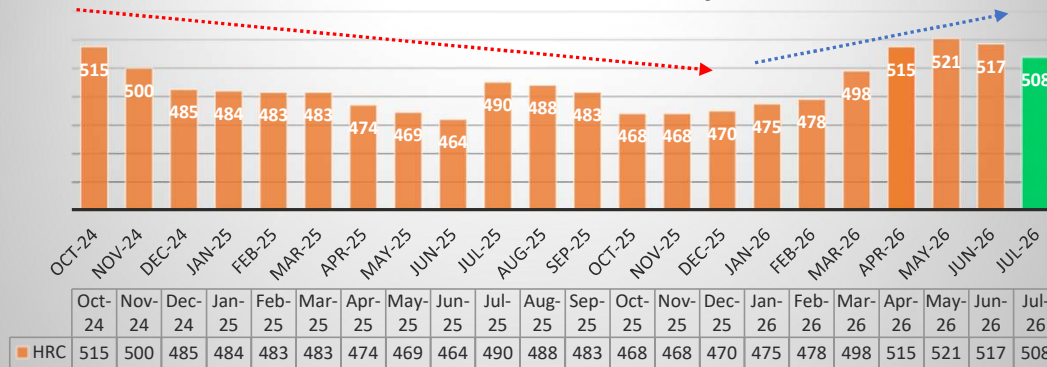


THE MACRO ENVIRONMENT



- **Malaysia GDP:** Grew by **6.0%** in 2Q2026, supported by household spending, export growth and sustained investment activities.
- **Construction Sector:** Expanded by **6.5%**, driven by special trade and non-residential construction activities.
- **China Steel Industry:** China continued to address overcapacity through short-term measures and structural reforms.
- **Steel Prices:** Recovered amid supply disruptions arising from the Iran war, before softening in July 2026 due to seasonal factors.

Indicative HRC Price In USD/MT



HTVB GROUP PERFORMANCE REVIEW - 4Q FY26 vs 4Q FY25 (corresponding quarter)



(RM'M)	4Q FY26	4Q FY25	Variance
Revenue	246.6	342.7	-28%
Gross Profit	25.4	1.47	1755%
GPM/(GLM)	10.3%	0.4%	
Profit/(Loss) before Interest	12.6	(9.5)	232%
Finance Costs (net)	(3.3)	(5.2)	37%
ESSB	7.8	30.2	-74%
NPBT	17.1	15.5	10%
NPAT	20.5	19.9	3%
Net Gearing Ratio	0.21	0.26	
EPS (sen)	1.16	1.13	
NTA (RM)	0.93	0.85	

- Revenue decreased by **28%**, mainly due to lower sales volumes and average selling prices.
- Gross profit improved, driven by stronger margins in the Manufacturing segment.
- Share of profit from joint venture entities decreased to **RM7.8 million** (4Q FY2025: RM30.2 million), mainly due to adverse unrealised foreign exchange translation effects, despite steady underlying operating performance.
- Profit before tax increased to **RM17.1 million** (4Q FY2025: RM15.5 million), supported by improved operating performance

HTVB GROUP PERFORMANCE REVIEW - 4Q FY2026 vs 3Q FY2026 (preceding quarter)



(RM'M)	4Q FY26	3Q FY26	Variance
Revenue	246.6	399.9	-38%
Gross Profit	25.3	15.4	65%
GPM	10.3%	3.8%	
Profit/(Loss) before Interest	12.6	5.3	136%
Finance Costs (net)	(3.3)	(4.3)	23%
ESSB	7.8	6.2	25%
NPBT	17.1	7.3	134%
NPAT	20.5	5.5	269%
Net Gearing Ratio	0.21	0.28	
EPS (sen)	1.16	0.31	
NTA (RM)	0.93	0.92	

- Revenue decreased by **38%**, mainly due to lower sales volume, partially offset by higher average selling prices.
- Gross profit increased by **65%**, driven by improved margins in the Manufacturing segment, supported by higher selling prices.
- Profit before tax rose to **RM17.1 million** (previous corresponding quarter: RM7.3 million), reflecting improved operating performance and a higher contribution from the joint venture entity.
- Financial position remained sound, with net gearing at **0.21 times** and net tangible assets per share increasing to **RM0.93**.



Eastern Steel Sdn. Bhd.



ESSB PERFORMANCE REVIEW – 4Q FY2026 vs 3Q FY2026 (preceding quarter)



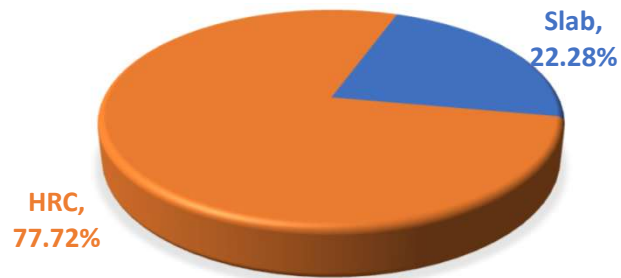
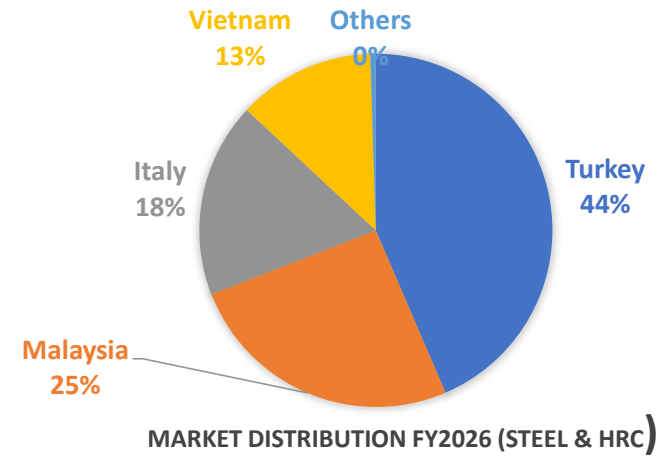
(RM'M)	4Q FY26	3Q FY26	Variance
Volume (kMT)	692.4	603.7	15%
Revenue	1,586.7	1,230.6	29%
Gross Profit	312.2	180.7	73%
GPM	20%	15%	
Profit before Interest/Adjustments	242.8	177.9	36%
Finance Costs	(41.1)	(39.0)	-5%
Unrealized FX	(117.8)	(80.8)	
Taxation	(55.4)	(35.3)	
NPAT	28.5	22.8	-91%

- Revenue increased by **29%**, supported by a **15%** increase in sales volume.
- Gross profit margin improved to **20%** (3Q FY2026: 15%), reflecting better operating efficiency and cost management.
- NPAT increased to **RM28.5 million** (3Q FY2026: RM22.8 million), despite adverse foreign exchange translation impacts and additional deferred tax liabilities (DTL), which partially offset the improved operating performance.

ESSB PERFORMANCE REVIEW – 3Q FY2026



Q4 FY2026 PRODUCT MIX



OUTLOOK – CAUTIOUSLY OPTIMISTIC AMID MARKET HEADWINDS



- **Financial performance:** The Group recorded a profit before tax of **RM17.1 million** for the quarter, supported by improved Manufacturing margins and higher gains from disposal of rental equipment. These were partially offset by a lower contribution from the joint venture entity, mainly due to adverse foreign exchange translation effects, while the Trading segment continued to face margin pressure amid soft steel prices.
- **Global steel market:** Global steel demand is forecast to grow marginally by **0.3%** in 2026 (Worldsteel, April 2026), amid persistent excess capacity and pricing pressure. Geopolitical tensions and evolving trade policies continue to drive uncertainty in steel prices and raw material, energy and freight costs, while elevated Chinese exports weigh on regional markets.
- **Domestic outlook:** Malaysia's economy strengthened, with GDP growth accelerating to **6.0%** in 2Q2026 from 5.4% in 1Q2026. Domestic demand, infrastructure development, manufacturing activities and investments in strategic sectors, including data centres, are expected to support domestic steel consumption.
- **Policy and regulatory landscape:** The implementation of SIR2035, together with trade defence measures and initiatives to promote fair competition, is expected to shape the domestic steel industry amid global overcapacity and competitive pressures.
- **Operational developments:** The joint venture's 1,450mm HRC production line continues to improve in utilisation and operating efficiency, providing a stronger platform for future earnings growth
- **Outlook and focus:** The Group remains cautious of steel price volatility, cost pressures and foreign exchange risks. Its focus remains on cost optimisation, operational efficiency and prudent business strategies to strengthen resilience and support sustainable performance.



THANK YOU





Q&A Session

