ALCOM GROUP BERHAD (201701047083(1261259-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Comprehensive Income for the 2nd Quarter ended 30 June 2025 (Unaudited)

	Quarter ended 30 June 2025	Quarter ended 30 June 2024	6 months ended 30 June 2025	6 months ended 30 June 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	142,197	145,102	315,283	283,844
Expenses excluding tax	(151,471)	(144,170)	(325,317)	(283,382)
Other operating income	839	886	1,615	1,784
(Loss)/profit before tax	(8,435)	1,818	(8,419)	2,246
Taxation	(1,093)	(634)	(1,293)	(744)
Net (loss)/profit	(9,528)	1,184	(9,712)	1,502
Other comprehensive (expense)/income, net of tax :				
Item that will not be classified subsequently to profit or loss				
Actuarial loss on gratuity scheme	-	-	-	-
Cash flow hedge	999	-	2,609	-
Taxation relating to component of other comprehensive expense/(income)	(240)	-	(626)	-
Other comprehensive (expense)/income, net of tax	759	-	1,983	-
Total comprehensive (expense)/income	(8,769)	1,184	(7,729)	1,502
(Loss)/profit attributable to:				
- Owners of the Company	(9,957)	1,195	(10,286)	1,464
- Non-Controlling Interests	429	(11)	574	38
	(9,528)	1,184	(9,712)	1,502
Total comprehensive (expense)/income attributable to:				
- Owners of the Company	(9,198)	1,195	(8,303)	1,464
- Non-Controlling Interests	429	(11)	574	38
	(8,769)	1,184	(7,729)	1,502
Basic (loss)/earnings per ordinary share (sen)	(7.41)	0.89	(7.66)	1.09

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Financial Position as at 30 June 2025 (Unaudited)

	UNAUDITED As At 30 June 2025 RM'000	AUDITED As At 31 December 2024 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	306,793	220,435
Right-of-use assets	15,962	14,084
Intangible assets	3,430	3,512
Deferred tax assets	8,739	7,950
	334,924	245,981
CURRENT ASSETS		
Inventories	235,009	220,723
Contract assets	930	3,349
Contract costs	23	124
Trade receivables	58,323	70,044
Other receivables and prepayments	19,323	4,526
Tax recoverable	4,866	6,328
Derivative financial instruments	787	161
Cash and bank balances	114,763	102,275
Other financial assets	2,316	1,050
	436,340	408,580
TOTAL ASSETS	771,264	654,561
CAPITAL AND RESERVES		
Share capital	104,778	104,778
Retained earnings	118,821	127,124
Equity attributable to owners of the Company	223,599	231,902
Non-controlling interests	490	(84)
TOTAL EQUITY	224,089	231,818
NON-CURRENT LIABILITIES		
Loans and borrowings	208,875	103,200
Provision for gratuity scheme	3,466	3,329
Lease liabilities	2,163	809
	214,504	107,338
CURRENT LIABILITIES		
Loans and borrowings	248,055	236,516
Lease liabilities	1,929	1,238
Provision for gratuity scheme	41	128
Trade payables	61,064	52,734
Other payables and accruals	13,112	21,482
Contract liabilities	6,872	624
Derivative financial instruments	-	2,449
Provision for taxation	1,598	234
	332,671	315,405
TOTAL LIABILITIES	547,175	422,743
TOTAL EQUITY AND LIABILITIES	771,264	654,561

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Changes In Equity for the 2nd Quarter ended 30 June 2025 (Unaudited)

	Attributable to Owners of the Company				
	Non-Distributable	Distributable			
	Share capital RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2025	104,778	127,124	231,902	(84)	231,818
Total comprehensive expense:					
Loss for the period	-	(10,286)	(10,286)	574	(9,712)
Cash flow hedge	-	1,983	1,983	-	1,983
Total comprehensive expense for the period	-	(8,303)	(8,303)	574	(7,729)
Balance as at 30 June 2025	104,778	118,821	223,599	490	224,089
Balance as at 1 January 2024	104,778	138,492	243,270	(188)	243,082
Total comprehensive income:					
Profit for the period	-	1,464	1,464	38	1,502
Total comprehensive income for the period	-	1,464	1,464	38	1,502
Balance as at 30 June 2024	104,778	139,956	244,734	(150)	244,584

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Cash Flows for the 2nd Quarter ended 30 June 2025 (Unaudited)

	6 months ended 30 June 2025	6 months ended 30 June 2024
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(8,419)	2,246
Adjustments for:-		
Allowance for inventory write-down	2,129	2,545
Amortisation of intangible assets	163	75
Depreciation of:		
- Property, plant and equipment	5,314	4,335
- Right-of-use assets	1,165	811
Gain on disposal of property, plant and equipment	(64)	(21)
Interest expenses	6,354	4,150
Interest expenses on lease liabilites	75	46
Interest income	(1,391)	(1,603)
Net fair value loss/(gain) on forward foreign exchange contracts	127	(488)
Provision for gratuity scheme	137	141
Net loss/(reversal) on impairment of financial assets	575	(22)
Unrealised forex loss	1,109	574
	7,274	**12,789**
Changes in Working Capital:-		
Inventories	(16,415)	(122,561)
Receivables and deposits	(5,173)	(31,955)
Payables	(221)	37,479
Contract assets	2,420	(383)
Contract costs	101	(110)
Contract liabilities	4,983	8,312
Cash used in operations	**(7,031)**	**(96,429)**
Gratuity paid	(87)	(521)
Interest paid	(92)	(133)
Tax refunded/(paid)	118	(1,066)
Net cash used in operating activities	**(7,092)**	**(98,149)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- Property, plant and equipment	(91,672)	(44,490)
- Intangible assets	(81)	(70)
Proceeds from disposal of:		
- Property, plant and equipment	64	21
Change in deposits pledged	4,258	(1,310)
Interest income received	1,391	1,603
Net cash used in investing activities	**(86,040)**	**(44,246)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of loans and borrowings	117,214	80,721
Payment of lease liabilities	(981)	(639)
Interest paid	(6,354)	(4,150)
Net cash from financing activities	**109,879**	**75,932**
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**16,747**	**(66,463)**
Foreign exchange differences	-	(1,904)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	97,305	150,602
CASH & CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	**114,052**	**82,235**

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Cash Flows for the 2nd Quarter ended 30 June 2025 (Unaudited) (cont'd)

CASH AND CASH EQUIVALENTS
Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	As at 30 June 2025 RM'000	As at 30 June 2024 RM'000
Cash and bank balances		
Deposits placed with licensed banks	2,294	233
Liquid investments	35,586	23,134
Bank balances	76,883	64,286
	114,763	87,653
Less: Cash and cash equivalents held on behalf of the owners of EmHub	(711)	(5,418)
	114,052	**82,235**

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes to this interim financial statements.)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the Group's financial statements for financial year ended 31 December 2024. The 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 year ended 31 December 2024.

A2. Accounting policies

The significant accounting policies and methods of computation adopted in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2024 except for the adoption of the following accounting standards, interpretations and amendments to published standards with effect from 1 January 2025:

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The application of the abovementioned accounting standards, interpretations and amendments do not have a material financial impact to the interim financial statements of the Group and of the Company.

At the date of authorisation of these interim financial statements, the following accounting standards, interpretations and amendments of the MFRSs have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and by the Company:

MFRSs, 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 - Amendments to the 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*

A2. Accounting policies (continued)

MFRSs, 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

MFRSs, 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 and the Company plan to apply the abovementioned accounting standards, interpretations and amendments once they become effective.

A3. Audit Report of the preceding annual Financial Statements

The audit report of the Group’s preceding annual Financial Statements was not subject to any qualification.

A4. Comments about Seasonal or Cyclical Factors

One of the products’ category that the Group manufactures and sells is finstock (both bare fin and coated fin). These products are supplied to air conditioning manufacturers, in which the sector demand is subject to seasonal fluctuations.

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

During the current quarter and financial period under review, there were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group.

A6. Material changes in estimates

There were no significant changes in estimates that have had a material effect on the results of the current quarter and financial period under review.

A7. Debt and Equity Securities

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

A8. Dividends paid

No dividend was paid during the current quarter and financial period under review.

A9. Segmental information

The Group which operates in Malaysia was involved in 4 segments, principally:

1) Manufacturing - manufacturing and trading of aluminium products
2) Property development - development of properties
3) Construction - property construction works and supply and installation of roofing systems
4) Investment holding

Segmental earnings before interest, tax, depreciation and amortisation ("EBITDA") for the 6-month period ended 30 June 2025 were as follows:-

	Manufacturing	Property Development	Construction	Investment Holding	Inter Segment Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment EBITDA	5,185	(1,690)	8,439	(858)	(7,813)	3,262
Included in the measure of segment EBITDA are:						
- Revenue from external customers	300,024	4,294	10,965	-	-	315,283
- (Allowance)/reversal of inventory write-down	(2,129)	-	-	-	-	(2,129)

A10. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment for the current quarter and financial period under review.

A11. Capital Commitments

Authorised capital expenditures for property, plant and equipment not provided for in the financial statements were as follows:

	Group 30 June 2025 RM'000
- Contracted	251,096
- Not Contracted	5,409
Total Capital Commitment	256,505

A12. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the period under review up to the date of this announcement that have not been disclosed in this quarterly financial statements.

A13. Changes in the composition of the Group

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

A14. Changes in contingent liabilities or contingent assets

The contingent liabilities as at 30 June 2025 were as follows:

Unsecured contingent liabilities	**Company 30 June 2025 RM'000**
Corporate guarantee given to financial institutions in respect of banking facilities granted to subsidiaries	707,011

A15. Related party disclosures

Related party transactions for the current quarter and financial period under review in which certain Directors have direct/indirect interest were as follows:

	Group	
	Quarter ended 30 June 2025	**Year-to-date 30 June 2025**
	RM'000	**RM'000**
Sales of Finished Goods	-	-

These transactions have been entered into in the normal course of business and at arm's length basis and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders.

Intentionally left blank

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group Performance

Financial review of the second quarter ended 30 June 2025 (“Q2 FY2025”) compared with the corresponding quarter in Financial Year 2024 (“Q2 FY2024”)

	Q2 FY2025	Q2 FY2024	
	RM’000	RM’000	Change %
Revenue	142,197	145,102	-2
(Loss)/Profit Before Interest and Tax	(5,808)	2,288	-354
(Loss)/Profit Before Tax	(8,435)	1,818	-564

The Group’s revenue for Q2 FY2025 decreased by 2% compared to Q2 FY2024. Of the RM142.20 million revenue recorded in Q2 FY2025, approximately 93% was generated from the manufacturing segment, while the remaining 7% came from the property development and construction segments. In Q2 FY2024, these percentages were 96% and 4%, respectively. No external revenue was recorded by the investment holding segment in either quarter.

The manufacturing segment recorded revenue of RM132.29 million in Q2 FY2025, representing a 5% decrease compared to RM139.26 million in Q2 FY2024. This decline was mainly due to a 10% drop in shipment volume, primarily driven by lower exports of specialty products to the United States. However, this was partially offset by increased shipments of coated fin products to the Indian market. The reduction in shipments to the U.S. was impacted by the doubling of tariff on all aluminium imports—from 25% to 50%—effective 4 June 2025. Additionally, a natural gas supply disruption from 3 to 16 April 2025, following a pipeline explosion at Putra Heights, led to a forced shutdown of factory operations, resulting in lost production and sales.

The property development segment posted revenue of RM4.29 million in Q2 FY2025, an increase of RM1.12 million compared to RM3.17 million in Q2 FY2024, attributed to its maiden EmHub project. The higher revenue was driven by increased sales volume, with all EmHub inventories fully sold in Q2 FY2025.

Meanwhile, the construction segment’s external revenue rose from RM3.11 million in Q2 FY2024 to RM7.41 million in Q2 FY2025, mainly due to its roofing and cladding projects.

Intentionally left blank

B1. Review of Group Performance (continued)

Financial review of the second quarter ended 30 June 2025 ("Q2 FY2025") compared with the corresponding quarter in Financial Year 2024 ("Q2 FY2024") (continued)

The Group registered a loss before tax of RM8.44 million in Q2 FY2025 as compared to Q2 FY2024's profit before tax of RM1.82 million. The segmental breakdown was as follows:

	Q2 FY2025	Q2 FY2024	Change %
	RM'000	RM'000	
Manufacturing Segment	(7,948)	1,068	-844
Property Development Segment	(854)	1,430	-160
Construction Segment	6,752	(139)	4958
Investment Holding Segment	(467)	(382)	-22
Inter-Segment Elimination	(5,918)	(159)	-3622
Group Total	(8,435)	1,818	-564

The manufacturing segment recorded a loss before tax of RM7.95 million in Q2 FY2025, compared to a profit before tax of RM1.07 million in Q2 FY2024. The loss was mainly attributable to lower revenue resulting from a decline in sales volume, the gas supply disruption in April 2025, and an internal power shutdown from 23 June to 3 July 2025 to facilitate electricity substation upgrading works related to the ongoing factory expansion project. Additionally, the weakening of the USD against the Ringgit Malaysia by approximately 8% in Q2 FY2025 compared to Q2 FY2024 further impacted profitability.

The property development segment recorded a loss before tax of RM0.85 million in Q2 FY2025, compared to a profit before tax of RM1.43 million in Q2 FY2024. This loss was primarily due to higher marketing and administrative expenses incurred for the emerging mixed development project in Bandar Baru Klang, partially offset by increased revenue from its maiden EmHub project.

The construction segment posted a profit before tax of RM6.75 million in Q2 FY2025, compared to a loss before tax of RM0.14 million in Q2 FY2024. This improvement was mainly driven by the ongoing construction of the Group's internal manufacturing facility expansion project, along with its roofing and cladding projects.

B2. Financial review of the second quarter ended 30 June 2025 ("Q2 FY2025") compared with the immediate preceding quarter ended 31 March 2025 ("Q1 FY2025")

	Q2 FY2025	Q1 FY2025	Change %
	RM'000	RM'000	
Revenue	142,197	173,087	-18
(Loss)/Profit Before Interest and Tax	(5,808)	2,428	-339
(Loss)/Profit Before Tax	(8,435)	17	-49718

The Group recorded a revenue of RM142.20 million in Q2 FY2025 which was lower by 18% as compared to the revenue of RM173.09 million registered in Q1 FY2025. This decrease was largely attributable to the manufacturing segment.

B2. Financial review of the second quarter ended 30 June 2025 ("Q2 FY2025") compared with the immediate preceding quarter ended 31 March 2025 ("Q1 FY2025") (continued)

The manufacturing segment recorded revenue of RM132.29 million in Q2 FY2025, compared to RM169.81 million in Q1 FY2025. This 22% decrease was primarily due to a reduction in shipment volumes of approximately 20%, mainly in the export of coated fin products to the Indian market. Additionally, the natural gas supply disruption from 3 to 16 April 2025, following a pipeline explosion at Putra Heights, led to a forced shutdown of factory operations, resulting in lost production and sales. Furthermore, the lower revenue was also attributable to the weakening of the USD against the Ringgit Malaysia by approximately 2.8% in Q2 FY2025 compared to Q1 FY2025. No external revenue was recorded by the investment holding segment.

The property development segment posted revenue of RM4.29 million in Q2 FY2025, compared to zero revenue in Q1 FY2025. This revenue was driven by strong demand for the remaining property units, with all inventories fully sold during the current quarter.

The construction segment recorded higher external revenue of RM7.41 million in Q2 FY2025, compared to RM3.56 million in Q1 FY2025, mainly attributable to its roofing and cladding projects.

The Group registered a loss before tax of RM8.44 million in Q2 FY2025 as compared to a profit before tax of RM0.02 million in Q1 FY2025. The segmental breakdown as follows:

	Q2 FY2025	**Q1 FY2025**	Change
	RM'000	**RM'000**	%
Manufacturing Segment	(7,948)	1,162	-784
Property Development Segment	(854)	(638)	-34
Construction Segment	6,752	1,699	-297
Investment Holding Segment	(467)	(357)	-31
Inter-Segment Elimination	(5,918)	(1,849)	-220
Group Total	(8,435)	17	-49718

The manufacturing segment recorded a loss before tax of RM7.95 million in Q2 FY2025, compared to a profit before tax of RM1.16 million in Q1 FY2025. This loss was mainly attributable to lower revenue due to a decline in sales volume, reduced contribution from a lower-margin product mix, the gas supply disruption in April 2025, and an internal power shutdown from 23 June to 3 July 2025 to facilitate electricity substation upgrading works related to the ongoing factory expansion project. The loss was further compounded by higher repairs and maintenance expenses incurred in Q2 FY2025.

The property development segment recorded a loss before tax of RM0.85 million in Q2 FY2025, compared to a loss before tax of RM0.64 million in Q1 FY2025. The increased loss was primarily due to higher marketing and administrative expenses incurred for the emerging mixed development project in Bandar Baru Klang, partially offset by higher revenue from its EmHub project.

On the other hand, the construction segment posted a profit before tax of RM6.75 million in Q2 FY2025, compared to RM1.70 million in Q1 FY2025. This improvement was mainly driven by the ongoing construction of the Group's internal manufacturing facility expansion project, along with its roofing and cladding projects.

B3. Financial review of Year-To-Date ended 30 June 2025 ("YTD FY2025) versus Year-To-Date ended 30 June 2024 ("YTD FY2024")

	YTD FY 2025	YTD FY 2024	Change %
	RM'000	RM'000	
Revenue	315,283	283,844	11
(Loss)/Profit Before Interest and Tax	(3,381)	4,839	-170
(Loss)/Profit Before Tax	(8,419)	2,246	-475

The Group's revenue for YTD FY2025 increased by RM31.44 million, or 11%, to RM315.28 million compared to YTD FY2024. Of the RM315.28 million in revenue, RM302.10 million was attributable to the manufacturing segment, while the remaining RM13.18 million in external revenue was generated from the property development and construction segments. No revenue was recorded by the investment holding segment.

The manufacturing segment recorded a revenue of RM302.10 million for YTD FY2025, an increase of RM29.39 million from RM272.71 million in YTD FY2024. The growth was attributable to a 3% increase in shipment volume, driven mainly by the doubling of coated fin product exports to the India market. In addition, the base metal price which is denominated in USD comprising aluminium prices quoted on the London Metal Exchange and transport premium was higher by 17% in YTD FY2025 as compared to YTD FY2024.

The property development segment registered a revenue of RM4.29 million for YTD FY2025, a marginal increase of RM0.15 million compared to RM4.14 million in YTD FY2024. This 4% growth was mainly attributable to the sale of remaining unsold units, supported by strong market demand. With all EmHub inventories fully sold in the current year, a key milestone has been achieved. The property segment will now focus on leveraging its expertise in the upcoming mixed development project in Bandar Baru Klang.

The construction segment posted external revenue of RM10.97 million in YTD FY2025, compared to RM7.70 million in YTD FY2024. This increase was mainly driven by its roofing and cladding projects.

The Group registered a loss before tax of RM8.42 million for YTD FY2025 as compared to YTD FY2024's profit before tax of RM2.25 million. The segmental breakdown was as follows:-

	YTD FY2025	YTD FY2024	Change %
	RM'000	RM'000	
Manufacturing Segment	(6,786)	1,521	-546
Property Development Segment	(1,492)	1,556	-196
Construction Segment	8,451	(52)	16352
Investment Holding Segment	(824)	(696)	-18
Inter Segment Elimination	(7,768)	(83)	-9259
Group Total	(8,419)	2,246	-475

B3. Financial review of Year-To-Date ended 30 June 2025 ("YTD FY2025) versus Year-To-Date ended 30 June 2024 ("YTD FY2024") (continued)

The manufacturing segment recorded a loss before tax of RM6.79 million in YTD FY2025, compared to a profit before tax of RM1.52 million in YTD FY2024. The loss was mainly attributable to the natural gas supply disruption from 3 to 16 April 2025, following a pipeline explosion at Putra Heights, which resulted in a forced shutdown of factory operations and consequent loss of production and sales. In addition, an internal power shutdown from 23 June to 3 July 2025 was carried out to facilitate electricity substation upgrading works related to the ongoing factory expansion project. Profitability was further impacted by higher repairs and maintenance expenses, as well as the weakening of the USD against the Ringgit Malaysia by approximately 7% in YTD FY2025 compared to YTD FY2024.

The property development segment registered a loss before tax of RM1.49 million in YTD FY2025 versus a profit before tax of RM1.56 million in YTD FY2024. The loss was primarily due to higher administrative and marketing expenses incurred in preparation for the launch of the upcoming mixed development project. These expenses were partially mitigated by increased revenue and interest income from the EmHub project.

Meanwhile, the construction segment recorded a profit before tax of RM8.45 million in YTD FY2025, compared to a loss before tax of RM0.05 million in YTD FY2024. This improvement was largely driven by the ongoing construction of the Group's internal manufacturing facility expansion project, along with its roofing and cladding projects.

B4. Commentary on Prospects

According to the International Monetary Fund (IMF), in its World Economic Outlook released in July 2025, global economic growth for 2025 is projected at 3.0% - a slight improvement from April's forecast of 2.8%. The upward revision reflects stronger pre-tariff export activity, reduced effective US reciprocal tariff rates, improved financial conditions and a softer US dollar. Nevertheless, the overall outlook remains clouded by persistent trade tensions, geopolitical instability and the risk of renewed tariff escalation.

For the Group's export-oriented manufacturing segment, the recent moderation of the USD against the MYR has exerted pressure on export revenues in Ringgit terms, narrowing margins. Despite the US decision to double tariff on all steel and aluminium imports from 25% to 50% effective 4 June 2025, the Group has been able to re-strategise its approach in the US market. At the same time, it is actively expanding into new regions less exposed to tariff, accelerating product innovation, enhancing operational efficiency and implementing cost-control initiatives to safeguard competitiveness and support long-term growth.

Meanwhile, Malaysia's property market is expected to experience steady, moderate growth in 2025. Demand for well-located properties in established areas remains robust, and the segment retains a cautiously optimistic outlook for the year ahead. The segment is strategically positioned to capitalize on future growth opportunities. This follows the successful completion of the acquisition on 24 June 2024 of two (2) contiguous parcels of leasehold vacant commercial land totaling approximately 7.08 acres in Bukit Raja, Klang, Selangor. The land's location is highly strategic, situated approximately 450 meters from the planned Bandar Baru Klang Station on the upcoming Shah Alam LRT Line (LRT 3). The segment anticipates that the progression and eventual completion of the LRT 3 infrastructure project will act as a significant catalyst, stimulating growing interest and enhancing property values within the Klang region, particularly for transit-oriented developments.

B4. Commentary on Prospects(continued)

The segment intends to develop this prime land into a proposed mixed-development project, comprising a mix of commercial lots, SOHO units, and service apartments. The development will be executed in two (2) phases.

Phase 1 to be developed on Lot 117427, while Phase 2 to be developed on Lot 117426. The planning permission application for phase 1 was submitted to the relevant local council in September 2024 and approval has been obtained on 21 August 2025.

Moving forward, the segment will remain focused on delivering competitive, well-designed, and differentiated property products that meet evolving market needs. This focus, coupled with strategic landbank development subject to necessary approvals, is expected to underpin the segment's sustainable growth and profitability in the medium to long term. The segment will continue to monitor market conditions and regulatory processes closely.

B5. Variance of Actual Profit from Forecast Profit

Not applicable.

B6. Profit for the Current Quarter under Review

The loss is arrived at after charging/(crediting):

	Second Quarter ended 30 June 2025 RM’000	**Year-to-date 30 June 2025 RM’000**
Interest income	(749)	(1,391)
Interest expense	3,327	6,354
Interest expense on lease liabilities	49	75
Amortisation of intangible assets	84	163
(Reversal of)/allowance for inventory write-down	(326)	2,129
(Reversal of)/allowance for doubtful debts	(104)	575
Depreciation of:		
- Property, plant and equipment	2,664	5,314
- Right-of-use assets	759	1,165
Foreign exchange (gain)/loss:		
- Realised	(1,459)	(1,644)
- Unrealised	1,238	1,109
Net fair value loss on derivatives	-	127
Gain on disposal of property, plant and equipment	-	(64)

I
I
I
Intentionally left blank
I
I
I

B7. Taxation

	Second Quarter ended		Year-to-date	
	30 June 2025	**30 June 2024**	**30 June 2025**	**30 June 2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current Tax - current year	(2,045)	(2,631)	(2,444)	(3,343)
Deferred Taxation - Origination and reversal of temporary differences	952	1,997	1,151	2,599
	(1,093)	(634)	(1,293)	(744)

The effective tax rate of the Group for the quarter under review was higher than the statutory tax rate due to non-deductibility of certain expenses, as well as non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

B8. Status of Corporate Proposals

There was no corporate exercise proposal announced that has not been completed as at the date of this announcement.

B9. Group Borrowings

The Group's borrowings as at 30 June 2025 were as follows:

	Long-Term RM'000	**Short-Term RM'000**	**Total RM'000**
<u>Secured</u>			
-Term Loans	208,510	7,001	215,511
-Finance lease liabilities	365	188	553
-Revolving credit	-	130,000	130,000
-Trade lines	-	110,098	110,098
<u>Unsecured</u>			
- Corporate credit card facility from a financial institution	-	768	768
	208,875	248,055	456,930

I
I
Intentionally left blank
I
I

B10. Derivative Financial Instruments

As at 30 June 2025, total contract value and fair value of the Group's outstanding forward foreign exchange contracts stood as follows:

Types of Derivatives (Foreign Exchange Contracts)	Contract/Notional Value RM'000	Fair Value RM'000
Less than 1 year		
- Payable	117,924	118,711
- Receivable	-	-

B11. Changes in Material Litigation

Not applicable.

B12. Dividends

There was no dividend declared in respect of the current period under review and the corresponding period in the preceding year.

B13. Earnings Per Share

	Second Quarter ended 30 June 2025	Second Quarter ended 30 June 2024	Year-to-date 30 June 2025	Year-to-date 30 June 2024
Net (loss)/profit attributable to owners of the Company (RM'000)	(9,957)	1,195	(10,286)	1,464
Weighted average number of ordinary shares in issue ('000)	134,331	134,331	134,331	134,331
Basic (loss)/earnings per share (sen)	(7.41)	0.89	(7.66)	1.09

B14. Authorisation of Issue

The interim financial statements were authorised for issue by the Board of Directors of AGB in accordance with a resolution of the Directors passed on 26 August 2025.

BY ORDER OF THE BOARD
26 August 2025