AVANGAAD BERHAD

(Registration No. 199301001779 (256516-W))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Second Quarter and Period Ended 30 June 2026

	Note	Quarter Ended			Period Ended		
		30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Revenue	B1	32,768	32,274	2	64,025	62,246	3
Cost of sales		(24,814)	(19,573)	27	(43,776)	(37,316)	17
Gross profit		7,954	12,701	(37)	20,249	24,930	(19)
Administrative expenses		(12,536)	(5,480)	>100	(17,703)	(11,683)	52
Other operating income	B3	21,431	-	>100	21,485	602	>100
Other operating expenses		(133)	(26)	>100	(207)	(108)	92
Net reversal on impairment losses of financial instruments		100	2,021	(95)	100	2,021	(95)
Results from operating activities		16,816	9,216	82	23,924	15,762	52
Finance income		366	201	82	579	339	71
Finance costs		(923)	(1,255)	(26)	(1,866)	(2,502)	(25)
Profit before tax	B7	16,259	8,162	99	22,637	13,599	66
Taxation	B6	(5,779)	(2,134)	>100	(7,079)	(2,917)	>100
Profit for the period		10,480	6,028	74	15,558	10,682	46
Profit attributable to:							
Owners of the Company		10,480	6,028	74	15,558	10,682	46

	Note	Quarter Ended		Period Ended	
		30.06.2026	30.06.2025	30.06.2026	30.06.2025
Earnings Per Share attributable to owners of the Company:	B12				
Basic EPS (sen)		0.79	0.45	1.17	0.81
Diluted EPS (sen)		0.78	0.45	1.16	0.80

The above Unaudited 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 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

Unaudited Condensed Consolidated Statement of Financial Position as at 30 June 2026

	Note	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000 (Audited)
Assets			
Property, plant and equipment	A9	363,183	374,136
Right-of-use assets		4,802	4,643
Deferred tax assets		66	66
Non-current assets		368,051	378,845
Inventories		524	550
Trade and other receivables		36,011	39,715
Tax recoverable		2,058	2,003
Deposits		2,886	2,851
Cash and cash equivalents		80,693	46,342
		122,172	91,461
Non-current assets held for sale		-	17,598
Current assets		122,172	109,059
Total assets		490,223	487,904
Equity and liabilities			
Share capital		259,330	259,330
Share option reserve		2,347	1,761
Retained earnings		92,302	76,744
Total equity		353,979	337,835
Loans and borrowings	B9	57,950	63,309
Lease liabilities		4,822	4,740
Deferred tax liabilities		46,485	39,556
Non-current liabilities		109,257	107,605
Trade and other payables		15,509	30,219
Lease liabilities		648	534
Loans and borrowings	B9	10,830	11,711
Current liabilities		26,987	42,464
Total liabilities		136,244	150,069
Total equity and liabilities		490,223	487,904
		RM	**RM**
Net assets per share attributable to owners of the Company		**0.27**	**0.25**

The above Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

Unaudited Condensed Consolidated Statement of Changes in Equity
For The Period Ended 30 June 2026

	<---------Non-distributable-------->		Distributable	
	Share capital RM'000	**Share option reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
At 1 January 2025	259,330	587	32,028	291,945
Profit and total comprehensive income for the period	-	-	10,682	10,682
Contributions by distributions to owners of the Company				
Share-based payment transactions	-	587	-	587
At 30 June 2025	259,330	1,174	42,710	303,214
At 1 January 2026	259,330	1,761	76,744	337,835
Profit and total comprehensive income for the period	-	-	15,558	15,558
Contributions by distributions to owners of the Company				
Share-based payment transactions	-	586	-	586
At 30 June 2026	259,330	2,347	92,302	353,979

The above Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

Unaudited Condensed Consolidated Statement of Cash Flows
For The Period Ended 30 June 2026

	Period Ended	
	30.06.2026	**30.06.2025**
	RM'000	**RM'000**
Cash flows from operating activities		
Profit before tax	22,637	13,599
Adjustments for:		
Property, plant and equipment:		
Depreciation	13,326	12,264
Impairment loss	5,088	-
Right-of-use assets:		
Depreciation	355	125
Finance costs on:		
Profit charge on Islamic financing	1,720	2,427
Accretion of interest on lease liabilities	146	75
Interest on fixed deposits	(579)	(339)
Gain on disposal of non-current asset held for sale	(21,396)	-
Share-based payment expenses	586	587
Reversal on impairment losses of financial instruments	(100)	(2,021)
Unrealised foreign exchange loss/(gain)	1	(47)
Operating profit before changes in working capital	21,784	26,670
Changes in working capital:		
Inventories	26	(111)
Trade, other receivables and contract assets	(3,800)	19,449
Trade, other payables and contract liabilities	(12,029)	(12,547)
Cash generated from operations	5,981	33,461
Interest received	543	339
Interest paid	(146)	(75)
Profit paid on Islamic financing	(1,720)	(2,427)
Tax paid	(205)	(823)
Net cash from operating activities	**4,453**	**30,475**
Cash flows from investing activities		
Net placement in short-term deposits, fixed and security deposits pledged	-	(13)
Additions to property, plant and equipment	(8,011)	(5,655)
Proceeds from disposal of non-current asset held for sale	44,431	-
Net cash from/(used in) investing activities	**36,420**	**(5,668)**
Cash flows from financing activities		
Repayment of Islamic term financing facilities	(6,240)	(6,719)
Repayment of lease liabilities	(282)	(94)
Net cash used in financing activities	**(6,522)**	**(6,813)**
Net increase in cash and cash equivalents	**34,351**	**17,994**
Cash and cash equivalents at beginning of financial period	46,342	19,129
Cash and cash equivalents at end of financial period	**80,693**	**37,123**

The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025 and the accompanying explanatory notes attached to these interim financial statements.

PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026

A1 BASIS OF PREPARATION

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting,* IAS 34 *Interim Financial Reporting* and paragraph 9.22 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2025.

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2025 except for the following which were adopted at the beginning of the current financial period. These pronouncements do not have any material impact on the Group's financial statements for the current financial period.

Description

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures
  - *Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity*
- 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

<u>Standards, amendments and interpretations issued but not yet effective</u>

The amendments that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards and interpretations, if applicable, when they become effective.

Description	**Effective for annual periods beginning on or after**
• MFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
• MFRS 19 and Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
• Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates - *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
• 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*	Deferred

The Directors expect that the adoption of the above amendments will have no material impact on the financial statements in the period of initial application.

PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors expressed an unqualified opinion on the Group's and Company's financial statements for the year ended 31 December 2025.

A3 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations have not been significantly affected by any seasonal or cyclical trend.

A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter under review except for the items disclosed in B3.

A5 CHANGE IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates or errors that have a material effect in the current quarter under review.

A6 DEBT AND EQUITY SECURITIES

There were no cancellation, resale and prepayment of debt and equity securities during the current quarter other than loans repayments in accordance with the Group’s loans repayment schedules.

A7 DIVIDENDS

There was no dividend paid during the quarter.

A8 SEGMENT REPORTING

For management purposes, the Group is organised into business units based on its products and services, and has only one reportable segment.

The Group’s reportable segment consists solely of vessel charter hire segment, which is the operator of marine vessels for the transportation and offshore storage of oil and gas, and the provider of port marine services.

The performance of the segment is measured based on revenue, as included in the internal management report. Hence, no other disclosure is made for segment assets, segment liabilities, or segment capital expenditures.

	Charter hire RM'000
30 June 2026	
Revenue:	
External customers	64,025
30 June 2025	
Revenue:	
External customers	62,246

PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

A8 SEGMENT REPORTING (CONTINUED)

Geographical segments

The geographical location of customers predominantly operates within Malaysia.

Major customers

There are two external customers (as at 30 June 2025: two) in charter hire segment, who contribute 86% (as at 30 June 2025: 92%) on total revenues of the Group amounting to RM53,241,000 (as at 30 June 2025: RM57,099,000) respectively.

A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There is no valuation of property, vessels and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy on property, vessels and equipment.

A10 MATERIAL EVENTS

Classification as PN17 issuer and proposed debt restructuring exercise

On 25 February 2022, the Company announced that the Company is an affected listed issuer as the Company had triggered the criteria prescribed under Paragraph 8.04, and Paragraph 2.1(e) of PN17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad **("Bursa Securities") ("Listing Requirements")**.

On 5 December 2022, the Company had at a creditors' Court Convened Meeting pursuant to section 366 of the Act, obtained the approval of the requisite majority in value of the creditors present and voting to undertake a scheme of arrangement between the Company and its scheme creditors ("SOA"). On 4 January 2023, the Company obtained the order from the High Court pursuant to section 366 of the Act to sanction the SOA. On 12 January 2023, the SOA became effective following the lodgement of the office copy of the order with the Companies Commission of Malaysia.

On 30 May 2024, Malacca Securities Sdn Bhd ("Malacca Securities") had, on behalf of the Board, announced that Bursa Securities had resolved to approve the proposed regularisation plan which comprised a proposed shares issuance, proposed exemption and proposed establishment of an employees' shares scheme (collectively, referred to as the "Regularisation Plan"). The approval granted by Bursa Securities for the Regularisation Plan is subject to the conditions set by Bursa Securities.

On 24 June 2024, Malacca Securities had, on behalf of the Board, announced that the ordinary resolutions as set out in the Notice of Extraordinary General Meeting was duly passed by way of poll and the shareholders of the Company approved the Regularisation Plan.

On 27 June 2024, Malacca Securities had, on behalf of the Board, announced that the Regularisation Plan has been completed. Following the completion of the Regularisation Plan, the Company had commenced the cash settlement / distributions to the Scheme Creditors under the SOA on 28 June 2024.

For information, the balance net proceeds from the sale of the divestment vessel M.T. Nautica Muar which forms part of the SOA, was deposited as a Security Deposit for Karina Shipping Ltd.'s claims in the Kuala Lumpur High Court Admiralty In Rem No: WA-27NCC-12-02/2021 ("In Rem Action"). Distribution of this sum was subject to the outcome of the In Rem Action, including any appeals.

On 14 February 2025, Malacca Securities had, on behalf of the Board, announced that the Company had on 14 February 2025, submitted an application to Bursa Securities for the upliftment of the Company from its PN17 status pursuant to Paragraph 8.04(8) of the Listing Requirements ("Upliftment Application").

PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

A10 MATERIAL EVENTS (CONTINUED)

Classification as PN17 issuer and proposed debt restructuring exercise (continued)

On 19 February 2025, Malacca Securities had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 19 February 2025 note that with the completion of the Company's Regularisation Plan, the Company has regularised its financial condition and no longer triggers any of the criteria under Paragraph 2.1 of PN17 of the Listing Requirements. After due consideration of all facts and circumstances of the Upliftment Application, Bursa Securities decided to approve the Upliftment Application. The upliftment of the Company from being classified as a PN17 company took effect from 9.00 a.m., Thursday, 20 February 2025.

On 16 June 2025, Karina Shipping Ltd's appeal against the High Court's decision in the In Rem Action was dismissed by the Court of Appeal. Subsequently, Karina Shipping Ltd filed an application for leave to appeal to the Federal Court on 15 July 2025, which was later withdrawn on 4 November 2025. Accordingly, the In Rem Action has been fully and finally disposed of, and the balance sum ("Additional Sum") shall be distributed on a pari passu basis to the Scheme Creditors of the Company pursuant to the SOA.

Following the final disposal of the In Rem Action, the Company applied to the High Court for the release of the Additional Sum held by Messrs Rahayu Partnership pursuant to the Escrow Agreement dated 16 March 2023. The application was filed on 10 December 2025, and the Court granted the order on 19 December 2025. The Company's solicitors have initiated the process with the Stakeholder for the release of the Additional Sum and the Company arranged for its distribution to the Scheme Creditors in accordance with the SOA. Notice was sent to the Scheme Creditors on the additional sum to be distributed.

On 22 May 2026, the Company had recovered the balance net proceeds from the sale of the Divestment Vessel "M.T. Nautica Muar" which had been deposited as security in respect of Karina Shipping Ltd.'s claims in Kuala Lumpur High Court Admiralty In Rem No: WA-27NCC-12-02/2021. Accordingly, on 25 May 2026 the Company had made the additional distribution to the Scheme Creditors pursuant to the SOA (sanctioned on 4 January 2023). The distributions made on 28 June 2024 and 25 May 2026 constitute the full and final distribution to the Scheme Creditors pursuant to the SOA.

A11 CHANGES IN THE COMPOSITION OF THE GROUP

There are no material changes in the composition of the Group during the current period.

A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Since the last Statement of Financial Position, there were no material changes in contingent liabilities and contingent assets.

A13 CAPITAL COMMITMENTS

There are no capital commitments during the current period.

A14 FAIR VALUE INFORMATION

The carrying amounts of bank balances, deposits, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The tables below analyses other financial instruments at fair value:

	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
30 June 2026				
Financial liabilities				
Islamic financing facilities	-	-	68,780	68,780

PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

A14 FAIR VALUE INFORMATION (CONTINUED)

The tables below analyses other financial instruments at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2025				
Financial liabilities				
Islamic financing facilities	-	-	75,020	75,020

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Non-derivatives financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfer between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial period (2025: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Islamic financing facilities	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting date.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026

B1 REVIEW OF THE PERFORMANCE OF THE GROUP

Review of performance for the cumulative quarter 6 months ended 30 June 2026

	Period Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Revenue	64,025	62,246	3
Cost of sales	(43,776)	(37,316)	17
Gross profit	20,249	24,930	(19)
Profit before tax	22,637	13,599	66
Profit for the period	15,558	10,682	46

The Group recorded revenue of RM64.0 million for the period ended 30 June 2026, a slight increase from RM62.2 million in the same period last year. This growth was mainly driven by newly secured fast crew boat contracts.

Profit before tax and profit after tax for the period increased to RM22.6 million and RM15.6 million, respectively, primarily attributable to the gain on disposal of FOIS Nautica Tembikai, a vessel previously classified as non-current asset held for sale.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B1 REVIEW OF THE PERFORMANCE OF THE GROUP (CONTINUED)

Review of performance for the current quarter 3 months ended 30 June 2026

	Second Quarter Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Revenue	32,768	32,274	2
Cost of sales	(24,814)	(19,573)	27
Gross profit	7,954	12,701	(37)
Profit before tax	16,259	8,162	99
Profit for the period	10,480	6,028	74

The Group recorded revenue of RM32.8 million for the period ended 30 June 2026, a slight increase from RM32.3 million in the same period last year. This growth was mainly driven by newly secured fast crew boat contracts.

Profit before tax and profit after tax for the period increased to RM16.3 million and RM10.5 million, respectively, primarily attributable to the gain on disposal of FOIS Nautica Tembikai, a vessel previously classified as non-current asset held for sale.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B2 MATERIAL CHANGES IN THE QUARTERLY RESULTS

Review of performance for the current quarter compared to immediate preceding quarter

	Quarter Ended		
	30.06.2026	**31.03.2026**	**Changes**
	RM'000	**RM'000**	**%**
Revenue	32,768	31,257	5
Cost of sales	(24,814)	(18,962)	31
Gross profit	7,954	12,295	(35)
Profit before tax	16,259	6,378	>100
Profit for the period	10,480	5,078	>100

The Group recorded revenue of RM32.8 million for the period ended 30 June 2026, a slight increase from RM31.3 million recorded in the preceding quarter. The higher revenue was mainly due to the commencement of new contracts for the fast crew boats.

Profit before tax for the quarter was RM16.3 million, compared to RM6.4 million recorded in the preceding quarter, mainly due to gain on disposal of FOIS Nautica Tembikai, a vessel previously classified as non-current asset held for sale.

B3 OTHER OPERATING INCOME

	Second Quarter Ended			Period Ended		
	30.06.2026	**30.06.2025**	**Changes**	**30.06.2026**	**30.06.2025**	**Changes**
	RM'000	**RM'000**	**%**	**RM'000**	**RM'000**	**%**
Fair value gain	35	-	100	87	-	100
Gain on disposal of asset held for sale	21,396	-	100	21,396	-	100
Other income	-	-	-	2	602	(100)
Total other income	21,431	-	100	21,485	602	>100

Total other income primarily comprises claims from customer and insurance.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B4 COMMENTARY ON PROSPECTS

As at 30 June 2026, the Group's order book stood at RM153.7 million, with an additional RM262.1 million for the extension period.

In the first quarter of 2026, the Group has been awarded new bareboat charter contract for a fast crew boat for 24-month period valued at RM5.37 million, and a spot charter for a period of 30+7+7-day for RM504,000. In addition, the Group secured a contract extension for one fast crew boat for a period of 270-day valued at RM5.26 million. A revision in contract period resulted in an increase of RM49.3 million to the Group's order book for the first quarter.

During the quarter, the Group has been awarded a new spot charter contract for a fast crew boat for a period of 143+30 day valued at RM2.4 million.

These extensions are expected to contribute positively to the Group's earnings and net tangible assets for the financial year ending 31 December 2026 and subsequent financial periods.

The Group continues to focus on improving operational efficiency to maximise vessel utilisation, achieving cost savings through strategic procurement, securing contract renewals and extensions, and maintaining effective cash management. In addition, the Group remains proactive in pursuing new business opportunities to strengthen earnings visibility and enhance cash flow stability.

B5 PROFIT FORECAST / GUARANTEE

The Group is not subject to any variance of actual profit from forecast profit/profit guarantee for the current financial period under review.

B6 TAXATION

	Second Quarter Ended			Period Ended		
	30.06.2026	30.06.2025	Changes	30.06.2026	30.06.2025	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Income Tax :						
Current period	(50)	(2,642)	(98)	(150)	(2,783)	(95)
Deferred tax :						
Current period	(3,963)	508	>(100)	(5,150)	(134)	>(100)
Prior period	(1,766)	-	(100)	(1,779)	-	(100)
Total taxation	(5,779)	(2,134)	>100	(7,079)	(2,917)	>100

The effective tax rate for the period ended 30 June 2026 is 23%, below the statutory tax rate, primarily driven by higher non-taxable income.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B7 PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):-

	Second Quarter Ended			Period Ended		
	30.06.2026 RM'000	30.06.2025 RM'000	Changes %	30.06.2026 RM'000	30.06.2025 RM'000	Changes %
Depreciation on property, plant and equipment	6,680	6,341	5	13,326	12,264	9
Depreciation on right-of-use assets	182	62	>100	355	125	>100
Impairment loss on property, plant and equipment	5,088	-	100	5,088	-	100
Net reversal on impairment losses of financial instruments	(100)	(2,021)	(95)	(100)	(2,021)	(95)
Realised foreign exchange loss	132	82	61	206	153	35
Unrealised foreign exchange loss/(gain)	1	(58)	>(100)	1	(47)	>(100)
Gain on disposal of non-current asset held for sale	(21,396)	-	(100)	(21,396)	-	(100)
Interest income	(366)	(201)	82	(579)	(339)	71
Interest expense	923	1,255	(26)	1,866	2,502	(25)
Share-based payment expenses	293	294	-	586	587	-

B8 STATUS OF CORPORATE PROPOSALS

There is no current Corporate Proposal undertaken by the Group during the period ended 30 June 2026.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B9 LOANS AND BORROWINGS

Details of the Group's borrowings are as follows:

	As at 30.06.2026								
	Long Term			Short Term			Subtotal Borrowings		
	Foreign RM'000	Ringgit RM'000	Total RM'000	Foreign RM'000	Ringgit RM'000	Total RM'000	Foreign RM'000	Ringgit RM'000	Total RM'000
Secured									
Islamic financing									
Term Loans	-	57,950	**57,950**	-	10,830	**10,830**	-	68,780	**68,780**
	-	57,950	**57,950**	-	10,830	**10,830**	-	68,780	**68,780**

	As at 31.12.2025								
	Long Term			Short Term			Subtotal Borrowings		
	Foreign RM'000	Ringgit RM'000	Total RM'000	Foreign RM'000	Ringgit RM'000	Total RM'000	Foreign RM'000	Ringgit RM'000	Total RM'000
Secured									
Islamic financing									
Term Loans	-	63,309	**63,309**	-	11,711	**11,711**	-	75,020	**75,020**
	-	63,309	**63,309**	-	11,711	**11,711**	**-**	75,020	**75,020**

B10 FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

The Group does not have any derivative financial instruments as at the period ended 30 June 2026.

B11 DIVIDEND PAYABLE

There was no dividend payment proposed during the period.

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE SECOND QUARTER AND PERIOD ENDED 30 JUNE 2026 (CONTINUED)

B12 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the Group's net profit attributable to ordinary equity holders by the average number of ordinary shares in issue during the financial period.

	Second Quarter Ended		Period Ended	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
Profit for the period attributable to equity holders of the Company (RM'000)	10,480	6,028	15,558	10,682
Weighted average number of ordinary shares in issue ('000)	1,326,250	1,326,250	1,326,250	1,326,250
Basic earnings per share (sen)	0.79	0.45	1.17	0.81

Diluted earnings per share

The calculation of diluted earnings per ordinary share at 30 June 2026 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Second Quarter Ended 30.06.2026	Period Ended 30.06.2026
Profit for the period attributable to equity holders of the Company (RM'000)	10,480	15,558
Basic weighted average number of ordinary shares in issue ('000)	1,326,250	1,326,250
Effect of share options on issue ('000)	13,263	13,263
Diluted weighted average number of ordinary shares ('000)	1,339,513	1,339,513
Diluted earnings per share (sen)	0.78	1.16

By Order of the Board
AVANGAAD BERHAD

CHENG CHIA PING, MAICSA 1032514
CHUA SIEW CHUAN, MAICSA 0777689
(Secretaries)