



## **OB HOLDINGS BERHAD**

*(Registration No. 202301020810 (1514732-P))  
(Incorporated in Malaysia under the Companies Act 2016)*

### **UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 AUGUST 2025**

# OB HOLDINGS BERHAD

(Registration No. 202301020810 (1514732-P))  
(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2025 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2024 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000
Revenue	13,538	12,022	13,538	12,022
Cost of sales	(6,972)	(6,632)	(6,972)	(6,632)
<b>Gross profit ("GP")</b>	<b>6,566</b>	<b>5,390</b>	<b>6,566</b>	<b>5,390</b>
Other income	103	247	103	247
Selling and distribution expenses	(2,003)	(1,402)	(2,003)	(1,402)
Administrative expenses	(2,370)	(2,075)	(2,370)	(2,075)
<b>Operating profits</b>	<b>2,296</b>	<b>2,160</b>	<b>2,296</b>	<b>2,160</b>
Finance income	114	2	114	2
Finance costs	(57)	(157)	(57)	(157)
<b>Profit before tax ("PBT")</b>	<b>2,353</b>	<b>2,005</b>	<b>2,353</b>	<b>2,005</b>
Tax expenses	(733)	(563)	(733)	(563)
<b>Profit after tax ("PAT") / Total comprehensive income for the financial periods</b>	<b>1,620</b>	<b>1,442</b>	<b>1,620</b>	<b>1,442</b>
Basic and diluted earnings per share (sen) <sup>(2) (3)</sup>	0.41	2.69	0.41	2.69

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D) <sup>(1)</sup>

### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2025 and the accompanying explanatory notes attached in this interim financial report.
- (2) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue as at the end of the financial period.
- (3) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the financial period.

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# OB HOLDINGS BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>

	31.08.2025 UNAUDITED RM'000	31.05.2025 AUDITED RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant, and equipment	15,093	15,041
Right-of-use assets	17,051	17,103
Intangible assets	*	*
Deferred tax asset	6	6
Other receivables	5	5
<b>Total non-current assets</b>	<b>32,155</b>	<b>32,155</b>
<b>Current Assets</b>		
Inventories	12,196	11,683
Trade receivables	7,622	8,477
Other receivables	729	1,951
Tax recoverable	-	408
Short term investment	15,302	13,681
Deposits with licensed banks	153	152
Cash and bank balances	6,540	8,202
<b>Total current assets</b>	<b>42,542</b>	<b>44,554</b>
<b>TOTAL ASSETS</b>	<b>74,697</b>	<b>76,709</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	54,395	54,395
Merger reserves	(25,763)	(25,763)
Retained earnings	36,163	35,013
<b>TOTAL EQUITY</b>	<b>64,795</b>	<b>63,645</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	619	678
Deferred tax liabilities	299	298
<b>Total non-current liabilities</b>	<b>918</b>	<b>976</b>
<b>Current Liabilities</b>		
Trade payables	1,567	1,865
Other payables	3,458	3,755
Borrowings	3,920	6,100
Tax payables	39	368
<b>Total current liabilities</b>	<b>8,984</b>	<b>12,088</b>
<b>TOTAL LIABILITIES</b>	<b>9,902</b>	<b>13,064</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>74,697</b>	<b>76,709</b>
Net assets per share (RM) <sup>(2)</sup>	0.17	0.16

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) <sup>(1)</sup>

### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2025 and the accompanying explanatory notes attached in this interim financial report.
- (2) Computed based on the respective period's total equity attributable to owners of the Company divided by the number of ordinary shares of 391,627,000.
- \* Amount is less than RM1,000.

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# OB HOLDINGS BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>

	SHARE CAPITAL RM'000	MERGER RESERVES RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000
<b>Balance as at 1 June 2024</b>	1,401	-	30,904	32,305
<u>Transactions with owners:</u>				
Acquisition of subsidiaries	(1,400)	1,400	-	-
- Issuance of shares pursuant to acquisition of subsidiaries	27,163	(27,163)	-	-
- Issuance of shares pursuant to Public Issue	28,800	-	-	28,800
- Shares issuance expenses	(1,569)	-	-	(1,569)
- Dividend	-	-	(470)	(470)
Total comprehensive income for the financial year	-	-	4,579	4,579
<b>Balance as at 31 May 2025</b>	<b>54,395</b>	<b>(25,763)</b>	<b>35,013</b>	<b>63,645</b>
<u>Transactions with owners:</u>				
- Dividend	-	-	(470)	(470)
Total comprehensive income for the financial year	-	-	1,620	1,620
<b>Balance as at 31 August 2025 (unaudited)</b>	<b>54,395</b>	<b>(25,763)</b>	<b>36,163</b>	<b>64,795</b>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2025 and the accompanying explanatory notes attached in this interim financial report.

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	CURRENT YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax	2,353	2,005
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	562	535
Depreciation of right-of-use assets	52	51
Depreciation of investment property	-	1
Interest expenses	57	157
Interest income	(114)	(2)
Operating profit before working capital changes	2,910	2,747
Changes in working capital:		
Inventories	(513)	(484)
Receivables	2,077	1,560
Payables	(1,065)	(1,130)
Cash generated from operations	3,409	2,693
Income tax paid	(653)	(547)
Interest received	1	2
Interest paid	*	(2)
<b>Net cash from operating activities</b>	<b>2,757</b>	<b>2,146</b>
<b>INVESTING ACTIVITY</b>		
Interest received	113	-
Purchase of property, plant and equipment	(614)	(396)
<b>Net cash used in investing activities</b>	<b>(501)</b>	<b>(396)</b>

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	CURRENT YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000
<b>FINANCING ACTIVITIES</b>		
Repayment of bankers' acceptance	(2,124)	(706)
Interest paid	(57)	(155)
Increase in deposits pledged	(1)	(1)
Repayment of term loans	(104)	(374)
Repayment of hire purchase	(11)	-
<b>Net cash used in financing activities</b>	<b>(2,297)</b>	<b>(1,236)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	(41)	514
Brought forward	21,883	3,414
<b>Carried forward</b>	<b>21,842</b>	<b>3,928</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:</b>		
Short term investments	15,302	-
Fixed deposits	153	281
Cash and bank balances	6,540	3,796
	21,995	4,077
Less: Fixed deposits pledged with licensed banks	(153)	(149)
	<b>21,842</b>	<b>3,928</b>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statement for the financial year ended 31 May 2025 and the accompanying explanatory notes attached in this interim financial report.



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## A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

### A1 Basis of preparation

This interim financial statements of OB Holdings Berhad (“**OB Holdings**” or the “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of the MFRS 134 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2025 and the accompanying explanatory notes attached in this interim financial report.

### A2 Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the audited financial statement for the financial year ended 31 May 2025, save for the following:

#### **MFRS and Amendments to MFRSs in issue but not yet effective**

The Group has not adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2025:

##### Effective for the financial period beginning on or after 1 January 2025

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

##### Effective for the financial period beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7, Financial Instruments and Financial Instruments Disclosures – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9 and MFRS 7, Financial Instruments and Financial Instruments Disclosures – Contracts Referencing Nature-dependent Electricity
- Annual Improvements to MFRS Accounting Standards – Volume 11

##### Effective for the financial period beginning on or after 1 January 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19, Subsidiaries without Public Accountability: Disclosures

##### Deferred to a date to be determined by Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The initial application of the above new and amended standards are not expected to have material financial impacts to the financial statements, except for:

##### MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18, Presentation and Disclosure in Financial Statements (“**MFRS 18**”) introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

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## **A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)**

### **A2 Significant Accounting Policies (cont'd)**

MFRS 18 replaces MFRS 101 Presentation of Financial Statements (“**MFRS 101**”). It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

### **A3 Auditors’ report on preceding annual financial statements**

The audited financial statements of the Group for the financial year ended 31 May 2025 were not subject to any qualification.

### **A4 Seasonal or cyclical factors**

The Group’s business operations do not experience any material seasonality effects in the business as the demand for the products and services are not subject to seasonal fluctuations.

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

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

### **A6 Material changes in estimates**

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

### **A7 Debt and equity securities**

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

### **A8 Dividend paid**

On 7 August 2025, the Board of Directors declared an interim dividend of 0.12 sen per ordinary shares totalling RM0.47 million for the financial year ended 31 May 2025. It was paid on 4 September 2025 to shareholders whose name appeared in the Record of Depositors of the Company at the close of business on 22 August 2025. The dividend was accounted for in equity as an appropriation of retained earnings in current quarter under review.

Save for the above, there were no other dividends paid during the current quarter and financial period to-date.

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

### A9 Segment information

The segmental analysis of Group's revenue is set out as follows:

	Provision of manufacturing services	House brand products	Trading and others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Current quarter/ year- to-date</b>					
<b>31.08.2025</b>					
<b>Revenue</b>					
External revenue	7,762	4,036	1,740	-	13,538
Inter-segment revenue	-	1,518	683	(2,201)	-
Total revenue	7,762	5,554	2,423	(2,201)	13,538
<b>Results</b>					
Finance costs					(57)
Depreciation of property, plant and equipment					(562)
Depreciation of right-of- use assets					(52)
Tax expense					(733)
Segment profit					1,677
<b>Preceding corresponding quarter/ year-to-date</b>					
<b>31.08.2024</b>					
<b>Revenue</b>					
External revenue	6,321	4,184	1,517	-	12,022
Inter-segment revenue	-	2,011	272	(2,283)	-
Total revenue	6,321	6,195	1,789	(2,283)	12,022
<b>Results</b>					
Finance income					2
Finance costs					(157)
Depreciation of property, plant and equipment					(535)
Depreciation of right-of- use assets					(51)
Depreciation of investment property					(1)
Tax expense					(563)
Segment profit					1,287

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

### A9 Segment information (cont'd)

The segmental analysis of Group's revenue is set out as follows: (cont'd)

#### Revenue by geographical locations:

	<b>Total</b> <b>RM'000</b>
<b><u>Current quarter/ year-to-date 31.08.2025</u></b>	
Malaysia	11,172
Overseas	<u>2,366</u>
<b>Total revenue</b>	<b><u>13,538</u></b>
<b><u>Preceding quarter/ year-to-date 31.08.2024</u></b>	
Malaysia	10,780
Overseas	<u>1,242</u>
<b>Total revenue</b>	<b><u>12,022</u></b>

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

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

### A11 Significant events subsequent to the end of the interim financial period

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

### A12 Changes in the composition of the Group

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

### A13 Fair value of financial instruments

There were no gain or loss arising from fair value changes of financial assets and liabilities for the current financial quarter under review.

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

### A14 Capital commitments

Save as disclosed below, there were no other material capital commitments of the Group as at the end of the current financial quarter under review.

	31.08.2025 UNAUDITED RM'000	31.05.2025 AUDITED RM'000
<b>Capital expenditure</b>		
Approved and contracted for:		
Property, plant and equipment	997	997
Construction of factory	17,237	14,491
	<u>18,234</u>	<u>15,488</u>

### A15 Contingent assets and contingent liabilities

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

### A16 Significant related party transactions

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2025 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2024 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000
<b>Companies in which certain Directors have interests:</b>				
Sales	1,813	1,064	1,813	1,064
Purchase	44	72	44	72
<b>Directors:</b>				
Rental expenses	9	9	9	9

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

### B1 Review of performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	QUARTER	CORRESPONDING	YEAR-TO-DATE	YEAR-TO-DATE
	31.08.2025	QUARTER	31.08.2025	31.08.2024
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	RM'000	RM'000	RM'000	RM'000
Revenue	13,538	12,022	13,538	12,022
PBT	2,353	2,005	2,353	2,005
PAT	1,620	1,442	1,620	1,442

The Group recorded revenue of RM13.54 million for the current financial quarter ended 31 August 2025 ("1Q2026"), representing an increase of RM1.52 million or 12.65% as compared to RM12.02 million in the corresponding quarter of the previous financial year ended 31 August 2024 ("1Q2025"). The improvement was mainly driven by higher contributions from the manufacturing services segment which accounted for RM7.77 million or 57.39% of the total revenue, as well as stronger sales of house brand products amounting to RM4.04 million or 29.84% of the total revenue. The improvement was mainly attributed to higher order fulfilment from existing and new customers and sustained demand for new products under manufacturing services segment as compared to the Q12025 which recorded lower production volume.

The Group registered a PBT of RM2.35 million, an increase of RM0.34 million or 16.92% as compared to RM2.01 million in 1Q2025. The PBT margin also improved to 17.38% as compared to 16.68% in 1Q2025 mainly attributed to improved margins from new products within the manufacturing services segment, coupled with better cost control measures.

Correspondingly, the Group recorded a PAT of RM1.62 million as compared to RM1.44 million in 1Q2025, representing an increase of RM0.18 million or 12.50%.

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

### B2 Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		CHANGES
	CURRENT QUARTER	IMMEDIATE PRECEDING QUARTER	
	31.08.2025	31.05.2025	
	UNAUDITED	AUDITED	
	RM'000	RM'000	%
Revenue	13,538	15,926	(14.99)
PBT	2,353	1,862	26.37
PAT	1,620	1,718	(5.70)

The Group recorded revenue of RM13.54 million for the 1Q2026, representing a decrease of RM2.39 million or 14.99% as compared to RM15.93 million in the immediate preceding quarter ended 31 May 2025 ("4Q2025"). The lower revenue was mainly attributable to reduced order volume from the manufacturing services segment following the completion of several large orders in 4Q2025.

Despite the decrease in revenue, the Group's PBT increased by RM0.49 million or 26.37% to RM2.35 million as compared to RM1.86 million in 4Q2025. The higher PBT was primarily due to higher margin contribution from new products, and better cost control measures implemented during the quarter.

However, the Group's PAT decreased by RM0.10 million or 5.70% to RM1.62 million as compared to RM1.72 million in 4Q2025 mainly due to a higher effective tax rate during the quarter under review arising from the absence of tax incentive for small and medium enterprises which the Group had qualified for and enjoyed in the previous financial year. In addition, the 4Q2025 also benefited from an overprovision of deferred tax expenses in prior year amounting to RM0.22 million

### B3 Prospects

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

Healthcare spending has become a growing priority across all income groups, with spending proportionately increase with rising income, especially among the middle income group. Between 2009/10 and 2024, health-related spending saw the fastest growth across most deciles, with annual increases exceeding 12%. In addition, the average income elasticity at below 1 across all income groups is aligned with the findings of Habib et al. (2016), indicating the necessity of healthcare. Despite this, the relative income elasticity of the middle- and higher-income working groups is lower, which could be due to employer-provided health benefits. Meanwhile, the growing share signals an increasing concern on long-term health well-being, ageing and access to public healthcare despite the increase in price of medicines and health products.

(Source: Economic Outlook 2026)

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

### B3 Prospects (cont'd)

The Group has obtained the necessary approvals for the development order and building plan for the construction of a new factory in Serendah ("**New Serendah Factory**"). The construction has commenced in January 2024 and is expected to be completed in the first half of 2026, with business operations slated to begin in second half of 2026. The construction of the New Serendah Factory is in line with the Group's plans to expand its manufacturing capacity. As part of this initiative, the Group will acquire new machinery and establish a laboratory dedicated to product development. This facility will enhance the Group's capabilities in developing new products and advancing in-house probiotic strain culturing.

Premised the above, the Group's remain cautiously optimistic about its outlook, taking into consideration the Group's competitive advantages, business strategies and the favourable market conditions for the fortified F&B and dietary supplement industry.

### B4 Profit forecast

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

### B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2025 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2024 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000
In respect of the current period:				
Income tax expense	(731)	(590)	(731)	(590)
Deferred tax	(2)	27	(2)	27
<b>Total taxation</b>	<b>(733)</b>	<b>(563)</b>	<b>(733)</b>	<b>(563)</b>
<b>Effective tax rate (%)</b>	<b>31.15</b>	<b>28.08</b>	<b>31.15</b>	<b>28.08</b>

The effective tax rate for the current financial quarter ended 31 August 2025 was higher than the statutory tax rate of 24% due to:-

- The presence of non-deductible expenses for tax purposes, which comprise mainly depreciation of property, plant and equipment, right-of-use assets, professional fees and withholding tax; and
- The absence of the lower tax rate for small and medium enterprises which had been enjoyed by the Company in the previous financial year.

### B6 Status of corporate proposals

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



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

### B7 Utilisation of proceeds raised from public issue

The status of the utilisation of proceeds from the public issue amounting to RM28.80 million as at 31 August 2025 is set out below:

Purposes	Proposed utilisation RM'000	%	Actual utilisation RM'000	Balance unutilised RM'000	Estimated time frame for utilisation
(a) Business expansion					
- Repayment of bank borrowings	14,900	51.74	10,000	4,900	Within 36 months
- Purchase of machines	5,000	17.36	-	5,000	Within 36 months
- Product development expenditure	900	3.12	225	675	Within 36 months
(b) Marketing and advertisement	1,000	3.47	-	1,000	Within 24 months
(c) Working capital	3,000	10.42	3,000	-	Within 24 months
(d) Estimated listing expenses	4,000	13.89	4,000	-	Within 3 months
<b>Total</b>	<b>28,800</b>	<b>100.00</b>	<b>17,225</b>	<b>11,575</b>	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 27 September 2024.

### B8 Loans and borrowings

The Group's borrowings are as follows:

	31.08.2025 UNAUDITED RM'000	31.05.2025 AUDITED RM'000
<b><u>Non-current</u></b>		
Secured:		
Hire purchase	177	189
Term loans	442	489
	<u>619</u>	<u>678</u>

# OB HOLDINGS BERHAD

(Registration No. 202301020810 (1514732-P))  
(Incorporated in Malaysia)

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

### B8 Loans and borrowings (cont'd)

	31.08.2025 UNAUDITED RM'000	31.05.2025 AUDITED RM'000
<b>Current</b>		
Secured:		
Banker's acceptances	571	2,695
Hire purchase	47	46
Revolving credit	3,096	3,096
Term loans	206	263
	<u>3,920</u>	<u>6,100</u>
<b>Total borrowings</b>	<b><u>4,539</u></b>	<b><u>6,778</u></b>

The bank borrowings are denoted in local currency.

### B9 Material litigations

As at the reporting date, the Group is not engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant, which may have a material effect on the financial position or the business of the Group, and the Board is not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

For information purposes, the Group had on 25 October 2024, announced a dispute over the breach of contract and infringement of intellectual property rights between Nature One Dairy (Hong Kong) Limited ("**NOD**") and Orient Biotech Sdn Bhd, a wholly-owned subsidiary of the Company ("**Orient Biotech**").

On 4 March 2025, Orient Biotech received a letter from the solicitors acting for NOD accompanied by a sealed Writ of Summons and a Statement of Claim, both dated 28 February 2025 and issued by the Supreme Court of Victoria, Melbourne, Australia ("**Court**"). The aforementioned Statement of Claim was incomplete and subsequently, the Writ of Summons and revised Statement of Claim, both dated 28 February 2025 were received on 5 March 2025.

Pursuant to the Statement of Claim, NOD has claimed the following: -

- i. damages;
- ii. at NOD's election, an account of profits or equitable compensation;
- iii. interest pursuant to s101 of the Supreme Court Act 1986; and
- iv. such other order(s) as to the Court seems appropriate.

Orient Biotech had filed an appearance in defence of the proceeding on 16 April 2025. The company will defend NOD's claim on the basis that their claims of loss of sales and loss of reputation are not attributable to the company as the milk powder product that the Group manufactured for a particular new customer is different from NOD's products.

On 28 August 2025, the Group announced that the directions hearing for this matter was scheduled on 7 October 2025. As at the date of this interim financial report, Orient Biotech is still awaiting further updates from the Court. Pending further directions, Orient Biotech continues to comply with the order of the Court.

As at the date of this interim financial report, the Board would not be able to ascertain the financial and operational impacts as well as the potential liabilities arising from the Writ of Summons and Statement of Claim as no specific amount demanded was stated therein.

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

### B10 Proposed dividend

There was no dividend that has been declared or recommended for payment by the Board during the financial period under review.

### B11 Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2025 UNAUDITED	PRECEDING CORRESPONDING QUARTER 31.08.2024 UNAUDITED	CURRENT YEAR TO-DATE 31.08.2025 UNAUDITED	PRECEDING YEAR-TO-DATE 31.08.2024 UNAUDITED
Net profit for the period attributable to ordinary equity holders of the company (RM'000)	<u>1,620</u>	<u>1,442</u>	<u>1,620</u>	<u>1,442</u>
Weighted average number of shares in issue ('000)	<u>391,627</u>	<u>53,581</u>	<u>391,627</u>	<u>53,581</u>
Basic and diluted earnings per share (sen) <sup>(1) (2)</sup>	<u>0.41</u>	<u>2.69</u>	<u>0.41</u>	<u>2.69</u>

Notes:

- (1) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue as at the end of the financial period.
- (2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

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

### B12 Notes to the statement of comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	QUARTER	CORRESPONDING	YEAR-TO-DATE	YEAR-TO-DATE
	31.08.2025	31.08.2024	31.08.2025	31.08.2024
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	RM'000	RM'000	RM'000	RM'000
The following amounts have been included in arriving at profit before tax:				
Directors' fees	81	81	81	81
Depreciation of property, plant and equipment	562	535	562	535
Depreciation of right-of-use assets	52	51	52	51
Depreciation of investment property	-	1	-	1
Interest income	(114)	(2)	(114)	(2)
Realised (gain)/ loss on foreign exchange	(77)	(68)	(77)	(68)
Finance cost:				
- Bankers' acceptance	6	11	6	11
- Bank overdraft	-	2	-	2
- Term loan	48	144	48	144
- Lease liabilities	3	-	3	-

By Order of the Board

Date: 28 October 2025