

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 2026

OB HOLDINGS BERHAD

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME [1]

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2026 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
Revenue	14,492	13,538	14,492	13,538
Cost of sales	(7,492)	(6,972)	(7,492)	(6,972)
Gross profit ("GP")	**7,000**	**6,566**	**7,000**	**6,566**
Other income	92	103	92	103
Selling and distribution expenses	(1,865)	(2,003)	(1,865)	(2,003)
Administrative expenses	(2,327)	(2,370)	(2,327)	(2,370)
Operating profits	**2,900**	**2,296**	**2,900**	**2,296**
Finance income	111	114	111	114
Finance costs	(164)	(57)	(164)	(57)
Profit before tax ("PBT")	**2,847**	**2,353**	**2,847**	**2,353**
Tax expenses	(887)	(733)	(887)	(733)
Profit after tax ("PAT") / Total comprehensive income for the financial periods	**1,960**	**1,620**	**1,960**	**1,620**
Basic and diluted earnings per share (sen) [2] [3]	0.50	0.41	0.50	0.41

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D) (1)

Notes:

(1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2026 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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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION [1]

	31.08.2026 UNAUDITED RM'000	31.05.2026 AUDITED RM'000
ASSETS		
Non-current Assets		
Property, plant, and equipment	31,817	30,039
Right-of-use assets	16,842	16,894
Intangible assets	*	*
Deferred tax asset	19	27
Other receivables	11	11
Total non-current assets	**48,689**	**46,971**
Current Assets		
Inventories	11,678	12,150
Trade receivables	10,385	11,849
Other receivables	3,070	2,043
Tax recoverable	-	123
Short term investment	11,495	14,679
Deposits with licensed banks	156	155
Cash and bank balances	3,498	4,784
Total current assets	**40,282**	**45,783**
TOTAL ASSETS	**88,971**	**92,754**
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	54,395	54,395
Merger deficit	(25,763)	(25,763)
Retained earnings	43,640	42,463
TOTAL EQUITY	**72,272**	**71,095**
LIABILITIES		
Non-current Liabilities		
Borrowings	9,476	11,081
Deferred tax liabilities	17	3
Total non-current liabilities	**9,493**	**11,084**
Current Liabilities		
Trade payables	1,480	2,523
Other payables	2,524	4,144
Borrowings	2,267	2,884
Tax payables	935	1,024
Total current liabilities	**7,206**	**10,575**
TOTAL LIABILITIES	**16,699**	**21,659**
TOTAL EQUITY AND LIABILITIES	**88,971**	**92,754**
Net assets per share (RM) [2]	0.18	0.18

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) (1)

Notes:

(1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2026 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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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [1]

	SHARE CAPITAL RM'000	MERGER RESERVES RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000
Balance as at 1 June 2025	54,395	(25,763)	35,014	63,646
Transactions with owners:				
- Dividend	-	-	(1,253)	(1,253)
Total comprehensive income for the financial year	-	-	8,702	8,702
Balance as at 31 May 2026	**54,395**	**(25,763)**	**42,463**	**71,095**
Transactions with owners:				
- Dividend	-	-	(783)	(783)
Total comprehensive income for the financial period	-	-	1,960	1,960
Balance as at 31 August 2026 (unaudited)	**54,395**	**(25,763)**	**43,640**	**72,272**

Note:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2026 and the accompanying explanatory notes attached in this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS [1]

	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
OPERATING ACTIVITIES		
Profit before tax	2,847	2,353
Adjustments for:		
Depreciation of property, plant and equipment	504	562
Depreciation of right-of-use assets	52	52
Interest expenses	164	57
Interest income	(111)	(114)
Operating profit before working capital changes	3,456	2,910
Changes in working capital:		
Inventories	472	(513)
Receivables	437	2,077
Payables	(2,663)	(1,065)
Cash generated from operations	1,702	3,409
Interest received	1	1
Interest paid	*	*
Net income tax paid	(831)	(653)
Net cash from operating activities	**872**	**2,757**
INVESTING ACTIVITIES		
Interest received	110	113
Purchase of property, plant and equipment	(2,282)	(614)
Net cash used in investing activities	**(2,172)**	**(501)**

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) [1]

	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
FINANCING ACTIVITIES		
Dividend paid to shareholders	(783)	-
Drawdown of bankers' acceptance	1,292	1,846
Drawdown of invoice financing	981	-
Drawdown of revolving credit facility	1,124	-
Interest paid	(164)	(57)
Increase in deposits pledged	(1)	(1)
Repayment of bankers' acceptance	(1,806)	(3,970)
Repayment of hire purchase	(12)	(11)
Repayment of invoice financing	(1,085)	-
Repayment of revolving credit facility	(2,669)	-
Repayment of term loans	(47)	(104)
Net cash used in financing activities	**(3,170)**	**(2,297)**
CASH AND CASH EQUIVALENTS		
Net changes	(4,470)	(41)
Brought forward	19,463	21,883
Carried forward	**14,993**	**21,842**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Short term investments	11,495	15,302
Deposits with licensed banks	156	153
Cash and bank balances	3,498	6,540
	15,149	21,995
Less: Deposits pledged with licensed banks	(156)	(153)
Total cash and cash equivalents	**14,993**	**21,842**

Notes:

(1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Company's audited financial statement for the financial year ended 31 May 2026 and the accompanying explanatory notes attached in this interim financial report.

* Amount is less than RM1,000.

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 2026 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 2026, save for the following:

MFRS and Amendments to MFRSs in issue but not yet effective

The new and amended standards and annual improvements to standards that are issued, but not yet effective are disclosed below. The Group intends to adopt these new and amended standards and annual improvements to standards, if applicable, when they become effective.

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:
  - 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

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

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19 and amendments to MFRS 19, Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency
- Amendments to MFRS 128, Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures

Effective for the financial period beginning on or after 1 January 2029

- MFRS 20, Regulatory Assets and Regulatory Liabilities

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 and annual improvements to standards are not expected to have material financial impact to the financial statements, except for:

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

A2 Significant accounting policies (cont'd)

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and disclosure in financial statements 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

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. 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 entities 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 2026 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 28 July 2026, the Board of Directors declared an interim dividend of 0.20 sen per ordinary share totalling RM0.78 million for the financial year ended 31 May 2026. It was paid on 27 August 2026 to shareholders whose name appeared in the Record of Depositors of the Company at the close of business on 13 August 2026. The dividend is accounted for in equity as an appropriation of retained earnings in current year under review.

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

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
Current quarter/ year-to-date 31.08.2026					
Revenue					
External revenue	8,436	3,439	2,617	-	14,492
Inter-segment revenue	-	1,224	208	(1,432)	-
Total revenue	8,436	4,663	2,825	(1,432)	14,492
Results					
Finance income					111
Finance costs					(164)
Depreciation of property, plant and equipment					(504)
Depreciation of right-of-use assets					(52)
Tax expense					(887)
Segment profit					2,013
Preceding corresponding quarter/ year-to-date 31.08.2025					
Revenue					
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
Results					
Finance income					114
Finance costs					(57)
Depreciation of property, plant and equipment					(562)
Depreciation of right-of-use assets					(52)
Tax expense					(733)
Segment profit					1,563

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:

	CURRENT QUARTER/ YEAR-TO-DATE 31.08.2026 RM'000	PRECEDING CORRESPONDING QUARTER/ YEAR-TO-DATE 31.08.2025 RM'000
Malaysia	12,531	11,172
Overseas	1,961	2,366
Total revenue	**14,492**	**13,538**

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

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.

	31.08.2026 UNAUDITED RM'000	31.05.2026 AUDITED RM'000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	1,640	2,065
Construction of factory	4,615	4,109
	6,255	6,174

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 31.08.2026 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
Companies in which certain Directors have interests:				
Sales	2,410	1,813	2,410	1,813
Purchase	56	44	56	44
Directors:				
Rental expenses	9	9	9	9

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

B1 Review of performance

Comparison with preceding Year's corresponding quarter results

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2026 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
Revenue	14,492	13,538	14,492	13,538
PBT	2,847	2,353	2,847	2,353
PAT	1,960	1,620	1,960	1,620

The Group recorded revenue of RM14.49 million for the current quarter ended 31 August 2026 ("**1Q2027**"), representing an increase of RM0.95 million or 7.02% as compared to RM13.54 million in the preceding year's corresponding quarter ended 31 August 2025 ("**1Q2026**"). The increase was mainly supported by higher revenue from provision of manufacturing services and trading segments. Revenue from the provision of manufacturing services recorded an increase of RM0.68 million or 8.76% to RM8.44 million in 1Q2026 as compared to RM7.76 million in 1Q2026, driven by higher order fulfilment from existing customers. Meanwhile, revenue from trading segment increased by RM0.88 million or 50.57% to RM2.62 million as compared to RM1.74 million in 1Q2026, supported by the Group's efforts to expand its customer base. These increases were partially offset by lower revenue from the house brand segment mainly distributed through the Group's online and pharmacy retail channels

In line with the higher revenue, the Group registered a PBT of RM2.85 million, an increase of RM0.50 million or 21.28% in 1Q2027 as compared to RM2.35 million in 1Q2026. The PBT margin also strengthened from 17.38% to 19.65% in 1Q2027. This was mainly attributable to improved operational efficiency and higher utilisation of production capacity arising from higher production volume.

Correspondingly, the Group recorded PAT of RM1.96 million as compared to RM1.62 million in 1Q2026, representing an increase of RM0.34 million or 20.99%.

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

B2 Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		
	CURRENT QUARTER 31.08.2026 UNAUDITED RM'000	IMMEDIATE PRECEDING QUARTER 31.05.2026 UNAUDITED RM'000	CHANGES %
Revenue	14,492	18,397	(21.23)
PBT	2,847	3,140	(9.33)
PAT	1,960	2,500	(21.60)

The Group recorded revenue of RM14.49 million for 1Q2027, representing a decrease of RM3.91 million or 21.23% as compared to RM18.40 million in the immediate preceding quarter ended 31 May 2026 ("**4Q2026**"). The decrease in revenue was mainly attributable to lower order volume from the manufacturing services segment following the completion of several large order in 4Q2026.

In tandem with the lower revenue, the Group's PBT decreased by RM0.29 million or 9.34% to RM2.85 million in 1Q2027, compared to RM3.14 million in 4Q2026. Despite the lower revenue, the PBT margin improved to 19.65% from 17.07%, reflecting improved cost control and profit margin.

The Group recorded PAT of RM1.96 million in 1Q2027, representing a decrease of RM0.54 million or 21.60% as compared to RM2.50 million in 4Q2026.

B3 Prospects

In August 2026, the Group obtained the certificate of completion and Compliance for its new factory in Serendah ("New Serendah Factory"), marking a key milestone in its manufacturing capacity expansion plans. Operations at the New Serendah Factory are expected to commence in the first half of 2027 and will provide additional production capacity to support the Group's future growth. As part of this expansion initiative, the Group plans to acquire new machinery, establish a dedicated product development laboratory and implement a warehouse management system to enhance warehouse operations, inventory management and overall operational efficiency. These initiatives are expected to strengthen the Group's manufacturing capabilities, support the development of new products and advance its in-house probiotic strain culturing capabilities.

Taking these initiatives into consideration together with the Group's competitive advantages, growth plans and rising demand for fortified food and beverage products as well as dietary supplements, the Group remains cautiously optimistic about its prospects.

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

B4 Profit forecast

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

B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2026 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
In respect of the current period:				
Income tax expense	(865)	(731)	(865)	(731)
Deferred tax	(22)	(2)	(22)	(2)
Total taxation	**(887)**	**(733)**	**(887)**	**(733)**
Effective tax rate (%)	**31.16**	**31.15**	**31.16**	**31.15**

The effective tax rate for the year-to-date period ended 31 August 2026 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.

B6 Status of corporate proposals

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

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 2026 is set out below:

Purposes	Proposed utilisation RM'000	Reallocation/ Variation (1) RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Estimated time frame for utilisation
(a) Business expansion					
- Repayment of bank borrowings	14,900	-	(12,960)	1,940	Within 36 months
- Purchase of machines	5,000	-	(1,200)	3,800	Within 36 months
- Product development expenditure	900	(275)	(225)	400	Within 36 months
(b) Marketing and advertisement	1,000	-	(1,000)	-	Within 24 months
(c) Working capital	3,000	275	(3,275)	-	Within 24 months
(d) Estimated listing expenses	4,000	-	(4,000)	-	Within 3 months
Total	**28,800**	-	**(22,660)**	**6,140**	

Note:

(1) The actual production development expenses for clinical trial were lower than budgeted, accordingly, the excess unutilised amount was reallocated for working capital purposes.

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

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

B8 Loans and borrowings

The Group's borrowings are as follows:

	31.08.2026 UNAUDITED RM'000	31.05.2026 AUDITED RM'000
Non-current		
Secured:		
Hire purchase	128	141
Revolving credit	9,095	10,640
Term loans	253	300
	9,476	11,081
Current		
Secured:		
Bankers' acceptances	972	1,486
Hire purchase	49	48
Invoice financing	381	485
Revolving credit	676	676
Term loans	189	189
	2,267	2,884
Total borrowings	**11,743**	**13,965**

The 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.

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

B9 Material litigations (cont'd)

On 27 November 2025, the Group announced that the directions hearing for this matter was scheduled on 1 May 2026 and the trial date is to be fixed on a date not earlier than 8 July 2026.

On 20 April 2026, the Group announced that the directions hearing has been adjourned to 21 August 2026 and the proceeding is set down for trial on a date to be fixed not before 24 September 2026.

On 17 September 2026, the Group further announced that the directions hearing for this matter has been adjourned to 20 November 2026.

As at the date of this interim financial report, Orient Biotech continues to comply with the latest general form of order. 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.

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 31.08.2026 UNAUDITED	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED
Net profit for the period attributable to ordinary equity holders of the company (RM'000)	1,960	1,620	1,960	1,620
Weighted average number of shares in issue ('000)	391,627	391,627	391,627	391,627
Basic and diluted earnings per share (sen) (1) (2)	0.50	0.41	0.50	0.41

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 financial period.

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 QUARTER 31.08.2026 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2025 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2026 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2025 UNAUDITED RM'000
The following amounts have been included in arriving at profit before tax:				
Directors' fees	101	81	101	81
Depreciation of property, plant and equipment	504	562	504	562
Depreciation of right-of-use assets	52	52	52	52
Interest income	(111)	(114)	(111)	(114)
Realised gain on foreign exchange	49	(77)	49	(77)
Finance cost:				
- Bankers' acceptance	14	6	14	6
- Bank overdraft	*	-	*	-
- Hire purchase	2	3	2	3
- Invoice financing	6	-	6	-
- Revolving credit	136	-	136	-
- Term loans	6	48	6	48

* Amount less than RM 1,000

By Order of the Board

Date: 30 October 2026