



AURELIUS TECHNOLOGIES BERHAD

(Registration No. 202101005015 (1405314-D))

(Incorporated in Malaysia under the Companies Act 2016)

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENT FOR THE
SECOND QUARTER ENDED
30 JUNE 2025**


**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	2nd Quarter			Cumulative Quarter		
	30 June 2025	30 June 2024	Changes	30 June 2025	30 June 2024	Changes
	(a) RM	RM	%	(a) RM	RM	%
Revenue	162,919,226	152,261,306	7.0	310,772,593	277,962,060	11.8
Cost of sales	(136,890,356)	(128,823,183)	6.3	(262,199,120)	(234,339,280)	11.9
Gross profit	26,028,870	23,438,123	11.1	48,573,473	43,622,780	11.3
Other income / (expenses)	1,400,297	(424,300)	(430.0)	2,518,538	2,503,914	0.6
Administrative expenses	(7,238,677)	(2,762,242)	162.1	(10,463,520)	(5,509,415)	89.9
Selling and distribution expenses	(79,393)	(88,771)	(10.6)	(108,961)	(143,377)	(24.0)
Operating profit	20,111,097	20,162,810	(0.3)	40,519,530	40,473,902	0.1
Finance income	661,759	1,271,291	(47.9)	1,112,548	2,267,552	(50.9)
Finance costs	(1,465)	(171,022)	(99.1)	(46,302)	(460,593)	(89.9)
Profit before tax	20,771,391	21,263,079	(2.3)	41,585,776	42,280,861	(1.6)
Taxation	(4,408,433)	(5,229,268)	(15.7)	(9,125,125)	(10,517,479)	(13.2)
Profit for the financial period	16,362,958	16,033,811	2.1	32,460,651	31,763,382	2.2
Total other comprehensive income, net of tax						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Transfer of revaluation surplus to retained profits	46,880	46,880	-	93,760	46,880	-
Realisation of revaluation surplus upon depreciation	(46,880)	(46,880)	-	(93,760)	(46,880)	-
Total comprehensive income for the financial period attributable to :						
Owners of the Company	16,362,958	16,033,811	2.1	32,460,651	31,763,382	2.2
	16,362,958	16,033,811	2.1	32,460,651	31,763,382	2.2
Earnings Per Share attributable to Owners of the Company						
Basic EPS (sen)	1.26 (d)	1.35 (c)		2.50 (d)	2.68 (c)	
Diluted EPS (sen)	1.26 (e)	1.35 (c)		2.49 (e)	2.68 (c)	



**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (cont'd)**

Notes:

- (a) The Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes.*
- (b) As at 30 June 2024, the basic earnings per share ("EPS") and diluted earnings per share ("DEPS") is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares issued and applicable ordinary shares of **394,531,864** and **394,786,864** respectively.*
- (c) For comparative purpose, the EPS and DEPS as at 30 June 2024 had been adjusted based on the enlarged total number of weighted average number of ordinary shares issued and applicable ordinary shares of **1,183,595,592** and **1,184,360,592** respectively pursuant to the completion of bonus issue of **867,049,600** new ordinary shares on 23 June 2025 ("Bonus Issue of Shares").*
- (d) As at 30 June 2025 ("Q2 FY25"), the EPS is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares issued of **1,300,503,129** pursuant to the completion of Bonus Issue of Shares.*
- (e) As at Q2 FY25, DEPS is calculated based on the profit attributable to owners of the Company divided by the weighted number of applicable ordinary shares of **1,301,118,129** pursuant to completion of Bonus Issue of Shares.*

CONDENSED STATEMENT OF FINANCIAL POSITION

	<u>Unaudited</u> As at 30 June 2025 (a) RM	<u>Audited</u> As at 31 December 2024 RM
ASSETS		
Non-current asset		
Property, plant and equipment	193,241,603	199,546,530
Current assets		
Inventories	118,606,408	134,561,965
Trade receivables	124,948,224	144,191,774
Other receivables, deposits and prepayments	3,997,266	3,986,358
Contract assets	18,007,528	17,995,086
Short term investments	145,416,026	132,254,898
Cash and bank balances	27,772,343	27,493,005
	<u>438,747,795</u>	<u>460,483,086</u>
TOTAL ASSETS	<u>631,989,398</u>	<u>660,029,616</u>
EQUITY & LIABILITIES		
Share capital	390,895,308	390,985,101
Merger deficit	(38,486,932)	(38,486,932)
Revaluation reserve	5,735,007	5,828,767
ESS reserve	323,879	402,874
Retained profits	149,586,140	129,602,498
Total equity	<u>508,053,402</u>	<u>488,332,308</u>
Non-current liabilities		
Borrowings	79,592	1,878,672
Deferred tax liabilities	14,091,930	15,177,475
	<u>14,171,522</u>	<u>17,056,147</u>
Current liabilities		
Trade payables	81,677,819	113,567,026
Other payables & accruals	19,121,564	35,390,660
Borrowings	56,963	1,563,438
Refund liabilities	729,044	3,419,812
Derivatives financial liabilities	-	64,195
Provision of taxation	8,179,084	636,030
	<u>109,764,474</u>	<u>154,641,161</u>
Total Liabilities	<u>123,935,996</u>	<u>171,697,308</u>
TOTAL EQUITY AND LIABILITIES	<u>631,989,398</u>	<u>660,029,616</u>
Net Assets per share attributable to owner of the Company (RM)	0.39 (d)	0.38 (c)



CONDENSED STATEMENT OF FINANCIAL POSITION (cont'd)

Notes:

- (a) The condensed statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes.*
- (b) As at 31 December 2024, the Net Assets per share attributable to the Company's equity owners is calculated based on total equity divided by the total number of ordinary shares outstanding of **433,474,800** shares issued.*
- (c) For comparative purposes, the Net Assets per share as at 31 December 2024 had been adjusted based on the enlarged total number of ordinary shares **1,300,424,400** shares issued arising from the completion of Bonus Issue of Shares.*
- (d) As at 30 June 2025, the Net Assets per share attributable to the Company's equity owners is calculated based on total equity divided by the total number of ordinary shares outstanding of **1,300,574,400** shares issued - after the completion of Bonus Issue of Shares, and 50,000 ordinary shares under the Employee Share Scheme ("ESS").*

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Cumulative Quarter	
	30 June 2025 (a)	30 June 2024
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	41,585,776	42,280,861
Adjustments for:		
Depreciation of property, plant & equipment	7,326,035	6,645,597
Fair value gain on short term investments	(1,774,095)	(222,515)
Interest expense	46,302	460,593
Interest income	(1,112,548)	(2,267,552)
Equity-settled shares-based payments	-	80,369
Unrealised loss/(gain) on foreign exchange	3,639,755	(1,659,476)
Fair value change of derivatives	(64,195)	-
Operating profit before working capital changes	49,647,030	45,317,877
Changes in working capital:		
Inventories	15,955,555	19,342,380
Receivables	12,352,478	(31,865,756)
Contract assets	(12,442)	1,664,708
Payables	(47,231,050)	(8,608,066)
Net cash flows generated from operations	30,711,571	25,851,143
Interest paid	(46,302)	(460,593)
Income tax paid	(2,667,614)	(3,310,008)
Net cash flows generated from operating activities	27,997,655	22,080,542
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(1,021,108)	(16,272,385)
Interest received	1,112,548	2,267,552
Net change of short term investments	(134,498,482)	(107,918,318)
Fixed deposits with licensed banks	18,796,414	1,697,962
Net cash used in investing activities	(115,610,628)	(120,225,189)
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment of finance lease liabilities	(27,603)	(26,431)
Net repayment of term financing	(3,277,952)	(13,561,595)
Drawdown of revolving credit	-	5,000,000
Net repayment of lease liabilities	-	(538,860)
Dividends paid	(12,570,769)	(9,851,700)
Net proceeds from issuance of new ordinary shares	-	130,797,235
Bonus issuance expenses	(168,788)	-
Net cash (used in)/generated from financing activities	(16,045,112)	111,818,649
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(103,658,085)	13,674,002
Effect of changes in foreign exchange rate	(377,612)	1,704,163
CASH AND CASH EQUIVALENTS AT BEGINNING	139,323,810	50,845,210
CASH AND CASH EQUIVALENTS AT END	35,288,113	66,223,375

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (*cont'd*)

	Cumulative Quarter	
	30 June 2025 (a)	30 June 2024
	RM	RM
Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:		
Short term funds with licensed financial institution and/or established asset management firm	7,515,770	-
Fixed deposits with licensed banks	-	48,880,552
Cash and bank balances	2,232,174	31,839,753
Short term money market deposit	25,540,169	-
	<u>35,288,113</u>	<u>80,720,305</u>
Less: Fixed deposits with licensed banks more than 3 months	-	(14,496,930)
CASH AND CASH EQUIVALENTS AT END	<u>35,288,113</u>	<u>66,223,375</u>

Notes:

(a) The unaudited condensed statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes.



UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company				Distributable Retained Profits RM	Total Equity RM
	Share Capital RM	ESS Reserve RM	Merger Deficit RM	Revaluation Reserve RM		
Period ended 30 June 2025						
Balance as at 1 January 2025	390,985,101	402,874	(38,486,932)	5,828,767	129,602,498	488,332,308
ESS reserve	78,995	(78,995)	-	-	-	-
Profit after taxation	-	-	-	-	32,460,651	32,460,651
Total comprehensive income/(loss)	-	-	-	(93,760)	93,760	-
Dividends paid	-	-	-	-	(12,570,769)	(12,570,769)
Bonus issue expenses	(168,788)	-	-	-	-	(168,788)
Balance as at 30 June 2025	390,895,308	323,879	(38,486,932)	5,735,007	149,586,140	508,053,402
Period ended 30 June 2024						
Balance as at 1 January 2024	260,187,866	282,321	(38,486,932)	6,016,288	102,328,148	330,327,691
Net issuance of shares - Private	130,797,235	-	-	-	-	130,797,235
ESS reserve	-	80,369	-	-	-	80,369
Profit after taxation	-	-	-	-	31,763,382	31,763,382
Total comprehensive income/(loss)	-	-	-	(93,760)	93,760	-
Dividends paid	-	-	-	-	(9,851,700)	(9,851,700)
Balance as at 30 June 2024	390,985,101	362,690	(38,486,932)	5,922,528	124,333,590	483,116,977

Notes:

- (a) The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's audited financial statement for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.



NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

EXPLANATORY NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2025

A1. Basis of Preparation

The interim financial statements of Aurelius Technologies Berhad (“ATech” or “Company”) and BCM Electronics Corporation Sdn Bhd (“BCM Electronics”), the Company’s sole subsidiary (collectively, “the Group”), are unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad (“Main LR”).

The accounting policies and methods of computation adopted by the Group in these unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements of the Group for the year ended 31 December 2024. The interim financial statements should be read in conjunction with the consolidated financial information and the audited financial statements of the Group for the year ended 31 December 2024.

A2. Changes in Accounting Policies

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the following new accounting standards/amendments to MFRSs that have been issued by the MASB but are not yet effective for the current financial year:

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: (Disclosures - Classification and Measurement of Financial Instruments)

Annual Improvements to MFRS Accounting Standards - Volume 11

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: (Disclosures - Contracts Referencing Nature-dependent Electricity)

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

Effective 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 initial application of the above standards and amendments to MFRSs is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' reports to the respective members of ATech and BCM Electronics on the financial statements for the financial year ended 31 December 2024 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's revenues are typically lower in the first half of our financial year because our customers plan ahead for their requirements for the entire year and accordingly, the bulk of orders from customers are typically received after the end of the festive period, namely the calendar new year and Chinese New Year which occurs at the beginning of the year. Q2 FY25 continued to record stronger than usual revenue primarily driven by strong customer demand in communication and internet of things ("IoT") and semiconductor components segments.

A5. Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the financial quarter under review

A6. Material Changes in Estimates

There was no change in the estimate of amounts reported that have a material effect in the financial quarter under review.

A7. Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale, and repayment of debt and equity securities by the Company for the financial quarter under review.

A8. Segmental Reporting

The management determines the business segments based on the reports reviewed and used by the management for strategic decision-making and resource allocation.

No segmental analysis by business segment is prepared as the Group operates predominantly in the electronic manufacturing services ("EMS") sector focusing on industrial electronic products namely, communications and IoT products, electronics devices, and semiconductor components.

Revenue segmented by products

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM	RM	RM	RM
Communications and IoT products	135,517,279	123,046,017	260,082,844	218,266,589
Electronics devices	19,094,152	22,372,258	34,327,273	47,324,605
Semiconductor components	8,307,795	6,843,031	16,362,476	12,370,866
	<u>162,919,226</u>	<u>152,261,306</u>	<u>310,772,593</u>	<u>277,962,060</u>

Revenue segmented by geographical markets

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM	RM	RM	RM
MALAYSIA	35,690,789	45,138,683	68,961,209	76,954,989
AMERICAS	102,287,418	76,750,896	190,426,604	140,075,791
ASIA PACIFIC (excluding Malaysia)	16,875,526	20,549,755	34,429,150	40,198,582
EUROPE	8,065,493	9,821,972	16,955,630	20,732,698
	<u>162,919,226</u>	<u>152,261,306</u>	<u>310,772,593</u>	<u>277,962,060</u>

A9. Dividend Paid

The final single-tier dividend of 2.90 sen per ordinary share for the financial year ended 31 December 2024 amounting to RM12.6 million was declared on 27 February 2025 and paid on 11 April 2025.

The first interim single-tier dividend of 3.60 sen per ordinary share for the financial year ending 31 December 2025 amounting to RM15.6 million was declared on 30 May 2025 and paid on 15 July 2025.

Save as disclosed above, there was no other dividend paid during the current financial quarter under review.

A10. Property, Plant and Equipment

The Group did not carry out any revaluation of its property, plant and equipment in the current financial quarter under review

A11. Capital Commitments

	Unaudited As at 30 June 2025 RM	Audited As at 31 December 2024 RM
Contracted but not provided for:		
- Property, plant and equipment	16,666,065	11,118,462
Approved but not provided for:		
- Property, plant and equipment	22,107,635	22,984,692
	<u>38,773,700</u>	<u>34,103,154</u>

A12. Changes in the Composition of the Group

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

A13. Contingent Liabilities

	Unaudited As at 30 Jun 2025 RM	Audited As at 31 December 2024 RM
Corporate guarantees issued to financial institutions for banking facilities granted to a subsidiary		
- Limit	185,132,500	195,793,695
- Maximum exposure	1,357,646	4,696,452

Save as disclosed above, there were no other contingent liabilities during the current financial quarter under review.

A14. Significant Related Party Transactions

There was no related party transaction during the financial quarter under review.

A15. Financial Instruments

The table below provides an analysis of financial instruments categorized as amortized cost ("AC") and fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
Unaudited as at 30 June 2025:			
Financial assets			
Trade and other receivables excluding prepayments	127,057,655	127,057,655	-
Short term investments	145,416,026	-	145,416,026
Cash and bank balances	27,772,343	27,772,343	-
	300,246,024	154,829,998	145,416,026
Financial liabilities			
Trade and other payables	100,799,383	100,799,383	-
Borrowings	136,555	136,555	-
Derivative financial liabilities	-	-	-
	100,935,938	100,935,938	-
Audited as at 31 December 2024:			
Financial assets			
Trade and other receivables excluding prepayments	146,028,272	146,028,272	-
Short term investments	132,254,898	-	132,254,898
Cash and bank balances	27,493,005	27,493,005	-
	305,776,175	173,521,277	132,254,898
Financial liabilities			
Trade and other payables	148,957,686	148,957,686	-
Borrowings	3,442,110	3,442,110	-
Derivative financial liabilities	64,195	-	64,195
	152,463,991	152,399,796	64,195



A16. Material Events Subsequent to the end of the Quarter

On 4 April 2024, BCM Electronics entered into a Sale and Purchased Agreement with Northern Technocity Sdn Bhd (“NTCSB”) for the acquisition of vacant industrial land within Kulim Hi-Tech Park held under HS(D) 83933, PT 5938 Seksyen 39, Bandar Kulim, District of Kulim, Kedah (“New Land 2”).

Pursuant to the said agreement, (a) BCM Electronics made payment for the remaining sum of RM10,936,377.00, which is equivalent to ninety-percent (90%) of the Purchase Price to NTCSB on 23 July 2025, and (b) the transfer of New Land 2 was successfully completed and officially registered in favour of BCM Electronics on 14 August 2025.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of Performance

	Individual Period (a)		Changes (Amount/%)	Cumulative Period (a)		Changes (Amount/%)
	(2nd quarter)			Current Year To- date	Preceding Year Corresponding Period	
	Current Year Quarter	Preceding Year Corresponding Quarter				
	30-June-2025	30-June-2024				
Revenue	162,919,226	152,261,306	7.0	310,772,593	277,962,060	11.8
Gross Profit	26,028,870	23,438,123	11.1	48,573,473	43,622,780	11.3
Profit Before Interest and Tax	20,111,097	20,162,810	-0.3	40,519,530	40,473,902	0.1
Profit Before Tax	20,771,391	21,263,079	-2.3	41,585,776	42,280,861	-1.6
Profit After Tax	16,362,958	16,033,811	2.1	32,460,651	31,763,382	2.2
Profit Attributable to Ordinary Equity Holder of the Parent	16,362,958	16,033,811	2.1	32,460,651	31,763,382	2.2

(a) Results for the current quarter

For the current financial quarter under review, the Group recorded a revenue of RM162.9 million, representing an increase of 7.0% as compared to the corresponding quarter in the preceding year. The communication and IoT products contributed RM135.5 million (83.2%), electronics devices contributed RM19.1 million (11.7%) and semiconductor components contributed the remaining RM8.3 million (5.1%). In the preceding year's corresponding quarter, the Group recorded a revenue of RM152.2 million. Communication and IoT products contributed RM123.0 million (80.8%), electronics devices contributed RM22.4 million (14.7%) and semiconductor components contributed the balance of RM6.8 million (4.5%).

The Group registered a gross profit of RM26.0 million for the current financial quarter as compared to a gross profit of RM23.4 million recorded in the corresponding quarter of the preceding year - underpinned by stronger revenue recorded contributed by higher production volumes.

The Group recorded a profit before tax ("PBT") of RM16.4 million for the current financial quarter similarly to RM16.0 million recorded in the corresponding quarter of the preceding year.

Despite the continued growth in revenue and gross profit, the Group's overall profitability is further diluted by the persistent weakening of the United States dollar ("USD") against Ringgit Malaysia ("RM").

(b) Results for the financial year-to-date

For the current cumulative quarters under review, the Group recorded a revenue of RM310.7 million, representing an increase of 11.8% as compared to the preceding year's corresponding cumulative quarters. The communication and IoT products contributed RM260.1 million (83.7%), electronics devices contributed RM34.3 million (11.0%) and semiconductor components contributed the remaining RM16.3 million (5.3%). In the preceding year's corresponding cumulative quarter, the Group recorded a revenue of RM278.0 million. Communication and IoT products contributed RM218.3 million (78.5%), electronics devices contributed RM47.3 million (17.0%) and semiconductor components contributed the balance of RM12.4 million (4.5%).

The Group recorded a higher gross profit of RM48.6 million for the current cumulative quarters as compared to RM43.6 million in the corresponding cumulative quarters of the preceding year.

The Group recorded a slightly lower PBT of RM41.6 million for the current cumulative quarters as compared to a RM42.3 million for the corresponding cumulative quarters in the preceding year mainly due to the (1) weakening of the USD against RM, (2) increase in the National Minimum Wage starting from 1 February 2025, (3) increase in headcount numbers and costs due to increased capacity of operations, (4) increase of 25% in the electricity base tariff from 1st January 2025, and (5) increase in various operational costs arising from the new integrated manufacturing plant (“P5”) and removal of diesel subsidy from 10th June 2024.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 30-June-2025	Immediate Preceding Quarter 31-March-2025	Changes (Amount/%)
Revenue	162,919,226	147,853,367	10.2%
Gross Profit	26,028,870	22,544,603	15.5%
Profit Before Interest and Tax	20,111,097	20,408,433	-1.5%
Profit Before Tax	20,771,391	20,814,385	-0.2%
Profit After Tax	16,362,958	16,097,693	1.6%
Profit Attributable to Ordinary Equity Holder of the Parent	16,362,958	16,097,693	1.6%

The Group recorded a higher revenue of RM162.9 million but slightly lower PBT of RM20.8 million in the current quarter as compared to the revenue of RM147.9 million and RM20.8 million for the immediate preceding quarter respectively, largely attributed to the foreign exchange losses occurring particularly in Q2 FY25 arising.

The Group did not record any business transactions that resulted in the material disposal of investment or properties, one-off gain or loss, or revaluation gain or loss in this financial quarter under review.

B3. Prospects for the Group

In line with the EMS industry, the Group continues to face persistent challenges from global economic uncertainties, geopolitical tensions, supply chain disruptions, and market volatilities.

The incessant strew of global developments, including trade prohibitions, sanctions, reciprocal and retaliatory tariffs imposed by certain major global economies, has brought about further turmoil or disruption to global supply chains and trade order. This further aggravates trade-related uncertainties, price escalations and weakening confidence of global demand.

Confronted with such headwinds, the recently announced new 19% tariff imposed for Malaysian exports to the United State (“US”) and weakening USD - the Group is proactively engaging with current and future customers to develop a more resilient and adaptive pricing framework to remain globally competitive.

Largely, the Group remains prudent and cautious, focusing on strategic investments to enhance and strengthen our technological infrastructures and capabilities to enable new growth opportunities with (a) our existing long-term customers and (b) potential new customers. These investments are aligned with our Group’s strategic direction to pursue the expansion of business into the automotive, fintech, and artificial intelligence (“AI”) industries.

Additionally, the Group continues to actively seek and evaluate new investment opportunities arising from the supply chain and trade diversion trends to Malaysia.

The Group remains very focused on (a) rolling-out the new product initiative (“NPI”) activities for new advanced IoT, automotive and AI related products, and (b) acquisition of potential new customers for P5.

The Group has recently purchased a new surface mount technology (“SMT”) as a replacement to one of the current 16-lines SMT portfolio in pursuit of greater operational efficiency.

The Group’s order book was approximately RM436.4 million as of 18 August 2025 and has been adjusted to reflect the weakening USD.

Barring any unforeseen circumstances in executing our existing orders and NPI commercialisations, rising global economic uncertainties, further volatility of foreign exchange and potential escalation of global trade wars, we maintain a cautiously optimistic outlook on the Group’s performance for the financial year ending 31 December 2025.

B4. Note to the Statement of Profit and Loss & Other Comprehensive Income

	Current quarter ended		Cumulative quarter ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM	RM	RM	RM
After Charging:				
Depreciation of property, plant and equipment	3,667,488	3,321,088	7,326,035	6,645,597
Employee benefits expenses	13,498,798	12,204,164	26,985,392	24,137,615
Expenses relating to lease of low value assets	6,146	3,690	17,862	7,380
Expenses relating to short-term leases	9,000	9,000	18,000	18,000
Interest expenses on:				
- Finance lease	1,465	-	3,076	11,883
- Term financing	-	171,499	43,226	448,710
Loss on foreign exchange:				
- Realised	3,006,947	287,647	1,129,791	-
- Unrealised	1,552,592	308,107	3,639,755	-
And crediting:				
Gain on foreign exchange:				
- Realised	-	-	-	388,098
- Unrealised	-	-	-	1,659,476
Fair value gain on short term investments *	763,535	96,556	1,774,095	222,515
Interest income	661,759	1,271,291	1,112,548	2,267,552
Interest expenses on:				
- Finance lease	-	477	-	-
<i>*Included in Other Income</i>				

Save as disclosed above, there is no other provision for and/or write-off of receivables, and impairment of assets, for the financial quarter under review.

B5. Taxation

	Current Quarter ended		Cumulative quarter ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM	RM	RM	RM
Current period income tax	4,800,291	6,786,479	10,210,669	9,633,407
Deferred tax	(391,858)	(1,557,211)	(1,085,544)	884,072
	<u>4,408,433</u>	<u>5,229,268</u>	<u>9,125,125</u>	<u>10,517,479</u>

The Group's effective tax rate for the cumulative financial quarter under review was lower than the statutory tax rate. This was mainly attributable to the utilisation of deferred tax assets during the current financial quarter.

B6. Profit forecast or Profit guarantee

The Group did not issue any profit forecast or profit guarantee in respect of any corporate proposals.

B7. Status of Corporate Proposals

There was no corporate proposal announced by the Company in the quarter under review.

B8. Utilisation of Proceeds raised from New Shares Issuances

The utilisation of the 2nd private placement proceeds of RM132,012,780 received on 19 June 2024 ("Private Placement 2") was utilised in the following manner as of 30 Jun 2025:

Purpose	Intended Timeframe for Utilisation	Proposed Utilisation	%	Actual Utilisation	Balance as at 30 June 2025
		RM		RM	RM
Construction of a new integrated manufacturing plant at Kulim High-Tech Park ("KHTP") ("P5")	within 15 months (1)	55,000,000	41.7	39,413,210	15,586,790
Investment in strategic new vacant land	within 18 months (1)	11,500,000	8.7	1,215,153	10,284,847
New machinery, equipment, testers, tools, jigs and fixtures	within 18 months (1)	20,000,000	15.2	13,324,251	6,675,749
Part repayment of bank facilities	within 5 months (1)	15,400,000	11.7	15,400,000	-
Working capital requirements of the Group	within 12 months (1)	28,844,780	21.8	28,844,780	-
Expenses in relation to the Private Placement	within 3 months (1)	1,268,000	1.0	1,268,000	-
Total		132,012,780	100.0	99,465,394	32,547,386

1) From the date of private placement of the Company shares.

B9. Group's Borrowings and Debts Securities

The details of the Group's borrowings as at 30 Jun 2025 are as follows:

	As at 2nd quarter FYE 31 December 2025					
	Long term		Short term		Total borrowing	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
Secured:						
Finance lease	-	79,592	-	56,963	-	136,555
Total	-	79,592	-	56,963	-	136,555

	As at 2nd quarter FYE 31 December 2024					
	Long term		Short term		Total borrowing	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
Secured:						
Finance lease	-	136,556	-	54,619	-	191,175
Term loans/ Islamic financing	-	5,116,971	-	3,001,541	-	8,118,512
Revolving credit	-	-	-	5,000,000	-	5,000,000
Total	-	5,253,527	-	8,056,160	-	13,309,687

There is no outstanding foreign currency denominated facilities as at 30 June 2025. The term loans/Islamic financing have been fully settled in the current financial quarter under review.

The Group did not enter into any other new borrowing facilities and financial hedging instruments as at the date of this quarterly report.

There is no significant changes in the total borrowing and banking facilities as compared to the preceding quarter.

There was no unsecured borrowing during the financial quarter under review.

B10. Material Litigation

There was no material litigation by the Company in the financial quarter under review.

B11. Dividends

The first interim single-tier dividend of 3.60 sen per ordinary share for financial year ending 31 December 2025 amounting to RM15.6 million was declared on 30 May 2025 and paid on 15 July 2025.

The second interim single-tier dividend of 0.85 sen per ordinary share for financial year ending 31 December 2025 amounting to RM11.06 million was declared on 29 August 2025 and to be paid on 22 October 2025.

Save as disclosed above, there is no other dividend declared during the current financial quarter under review.

B12. Earning Per Shares (“EPS”)

The basic EPS for the current financial quarter and financial year-to-date is computed as follows:

The calculation of earnings per ordinary share is calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding at the respective individual quarters as follows:

	Individual Quarter		Cumulative Quarter	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
<u>(i) Basic EPS</u>				
Profit attributable to ordinary equity owners of the Company (RM)	16,362,958	16,033,811	32,460,651	31,763,382
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	1,300,503,129	1,183,595,592	1,300,503,129	1,183,595,592
Earnings per ordinary share (sen)	<u>1.26</u>	<u>1.35</u> *	<u>2.50</u>	<u>2.68</u> *
<u>(ii) Diluted EPS</u>				
Profit attributable to ordinary equity owners of the Company (RM)	16,362,958	16,033,811	32,460,651	31,763,382
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	1,301,118,129	1,184,360,592	1,301,118,129	1,184,360,592
Earnings per ordinary share (sen)	<u>1.26</u>	<u>1.35</u> *	<u>2.49</u>	<u>2.68</u> *

**For comparative purposes, the basic EPS and diluted EPS per share for the quarter and cumulative quarter for the financial year ending 30 June 2024 had been adjusted to reflect the completion of Bonus Issue of Shares.*

B13. Fair Value of Financial Liabilities

Save as disclosed in A15, there was no other gain or loss arising from fair value changes of financial liabilities for the current financial quarter under review as the Group did not have any financial liabilities measured at fair value.