



SALIRAN GROUP BERHAD

Registration No. 202001022591 (1378911-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025

Malacca Securities Sdn. Bhd. (“Malacca Securities”), the Sponsor of Saliran Group Berhad has reviewed this interim financial report in accordance with Rule 4.27 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) prior to the issuance of this interim financial report. Malacca Securities assumes no responsibility for the contents of this interim financial report.

Malacca Securities was also the Principal Adviser for the admission of Saliran Group Berhad to the ACE Market of Bursa Securities on 13 March 2025.

SALIRAN GROUP BERHAD

Registration No. 202001022591 (1378911-A)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025⁽¹⁾

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current Quarter 30.09.2025 Unaudited RM'000	Preceding Corresponding Quarter ⁽²⁾ 30.09.2024 Unaudited RM'000	Current Period-to- date 30.09.2025 Unaudited RM'000	Preceding Period-to- date ⁽²⁾ 30.09.2024 Unaudited RM'000
Revenue		135,572	N/A	346,916	N/A
Cost of sales		(120,498)	N/A	(305,873)	N/A
Gross profit		15,074	N/A	41,043	N/A
Other operating income		469	N/A	1,785	N/A
Administrative expenses		(6,644)	N/A	(23,447)	N/A
Profit from operations		8,899	N/A	19,381	N/A
Finance costs		(2,103)	N/A	(5,784)	N/A
Profit before tax	B12	6,796	N/A	13,597	N/A
Tax expenses	B5	(2,072)	N/A	(4,830)	N/A
Profit after tax/ total comprehensive income		4,724	N/A	8,767	N/A
Profit after tax/ total comprehensive income attributable to:					
- Owners of the Company		4,724	N/A	8,767	N/A
Basic and diluted earnings per share ("EPS") (sen) ⁽³⁾	B11	1.23	N/A	2.29	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
 - (2) This interim financial report for the third quarter ended 30 September 2025 is in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**"). Therefore, there are no comparative figures for the preceding corresponding quarter and period-to-date as no interim financial report was prepared for the comparative financial period concerned.
 - (3) Basic and diluted EPS is calculated based on the Company's enlarged issued share capital of 382,900,000 ordinary shares ("**Shares**") in issue. Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review (refer to Note B11).
- N/A Not applicable.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025⁽¹⁾

		<u>Unaudited</u> As at 30.09.2025 RM'000	<u>Audited</u> As at 31.12.2024 RM'000
	Note		
Non-current assets			
Property, plant and equipment		22,940	23,065
Investment properties		14,245	14,403
Other investments		3,000	2,500
		<u>40,185</u>	<u>39,968</u>
Current assets			
Inventories		12,649	10,416
Trade receivables		111,235	75,578
Other receivables, deposits and prepayments		2,028	1,462
Fixed deposits with licensed banks		25,267	17,436
Cash and bank balances		66,498	38,279
		<u>217,677</u>	<u>143,171</u>
Total assets		<u>257,862</u>	<u>183,139</u>
Equity attributable to owners of the Company			
Share capital		50,234	30,252
Merger reserve		(26,770)	(26,770)
Retained earnings		48,720	39,953
Total equity		<u>72,184</u>	<u>43,435</u>
Non-current liabilities			
Borrowings	B8	31,075	31,396
Lease liabilities		49	120
Deferred tax liabilities		474	121
		<u>31,598</u>	<u>31,637</u>
Current liabilities			
Trade payables		49,601	19,800
Other payables and accruals		3,610	4,152
Borrowings	B8	94,585	77,447
Lease liabilities		163	215
Current tax liabilities		6,121	6,453
		<u>154,080</u>	<u>108,067</u>
Total liabilities		<u>185,678</u>	<u>139,704</u>
Total equity and liabilities		<u>257,862</u>	<u>183,139</u>
Net assets per share (RM) ⁽²⁾		<u>0.19</u>	<u>0.14</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025⁽¹⁾ (CONT'D)**Notes:**

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's enlarged issued share capital of 382,900,000 Shares as at 30 September 2025 and 302,500,000 Shares as at 31 December 2024 respectively.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025⁽¹⁾

	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2025	30,252	(26,770)	39,953	43,435
Issuance of shares pursuant to IPO	21,708	-	-	21,708
Share issuance expenses	(1,726)	-	-	(1,726)
Total comprehensive income for the financial period	-	-	8,767	8,767
Balance as at 30 September 2025 (Unaudited)	50,234	(26,770)	48,720	72,184

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) This interim financial report for the third quarter ended 30 September 2025 is in compliance with the Listing Requirements. Therefore, there are no comparative figures for the preceding corresponding quarter and period-to-date as no interim financial report was prepared for the comparative financial period concerned.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2025⁽¹⁾

	Current Period-to-date 30.09.2025 RM'000	Preceding Period-to- date⁽²⁾ 30.09.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	13,597	N/A
Adjustments for:		
Depreciation of:		
- property, plant and equipment	981	N/A
- investment properties	158	N/A
- right-of-use assets	266	N/A
Property, plant and equipment written off	6	N/A
Interest expenses	5,784	N/A
Interest income	(440)	N/A
Impairment loss on trade receivables	839	N/A
Unrealised loss on foreign exchange	679	N/A
Operating profit before changes in working capital	21,870	N/A
Changes in working capital:		
Inventories	(2,233)	N/A
Trade receivables	(37,157)	N/A
Other receivables, deposits and prepayments	(566)	N/A
Trade payables	29,783	N/A
Other payables and accruals	(542)	N/A
Cash generated from operations	11,155	N/A
Interest paid	(5,784)	N/A
Interest received	440	N/A
Tax paid	(4,809)	N/A
Net cash from operating activities	1,002	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,111)	N/A
Purchase of right-of-use assets	(50)	N/A
Purchase of other investments	(500)	N/A
Proceeds from disposal of property, plant and equipment	33	N/A
Net cash used in investing activities	(1,628)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of bankers' acceptances	295	N/A
Net drawdown of invoicing financing	22,716	N/A
Net repayment of trust receipts	(4,741)	N/A
Net repayment of revolving credit	(16)	N/A
Net drawdown of hire purchase	422	N/A
Repayment of lease liabilities	(123)	N/A
Repayment of term loans	(1,229)	N/A
Increase in fixed deposits pledged	(7,831)	N/A
Net proceeds from issuance of shares	19,982	N/A
Net cash generated from financing activities	29,475	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2025⁽¹⁾ (CONT'D)

	Current Period-to-date 30.09.2025 RM'000	Preceding Period-to-date⁽²⁾ 30.09.2024 RM'000
Net changes in cash and cash equivalents	28,849	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	33,853	N/A
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	62,702	N/A
Cash and cash equivalents comprised of:		
Cash and bank balances	66,498	N/A
Fixed deposits with licensed banks	25,267	N/A
	91,765	N/A
Less:		
Fixed deposits pledged to licensed banks	(25,267)	N/A
Bank overdraft	(3,796)	N/A
	62,702	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) This interim financial report for the third quarter ended 30 September 2025 is in compliance with the Listing Requirements. Therefore, there are no comparative figures for the preceding corresponding quarter and period-to-date as no interim financial report was prepared for the comparative financial period concerned.

N/A Not applicable.

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

A1. BASIS OF PREPARATION

The interim financial report of Saliran and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

A2. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024. During the current financial period, the Group has adopted the following new amendment to MFRSs :

Effective for annual periods beginning on or after 1 January 2025

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

The initial application of the above standards are not expected to have any material impact to the consolidated financial statements of the Group upon its first adoption.

The Group has not applied in advance the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the financial period ended 30 September 2025: -

Effective for annual periods beginning on or after 1 January 2026

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

Effective for annual periods beginning on or after 1 January 2027

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

Effective for date yet to be confirmed

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards are not expected to have any material impact to the consolidated financial statements of the Group upon its first adoption.

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PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)**A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. SEASONAL OR CYCLICAL FACTORS

The Group’s operation was not significantly affected by any unusual seasonal or cyclical factors.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial period-to-date under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. DEBT AND EQUITY SECURITIES

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

A8. DIVIDEND PAID

There was no dividend paid or declared by the Company during the current financial quarter under review.

A9. SEGMENTAL INFORMATION

The Group operates predominantly in two operating segments, namely the supply and distribution of pipes, fittings and flanges, steel products, related parts and accessories and manufacturing of fittings and flanges products.

Majority of the assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown/detail of the segment assets of the Group.

Revenue contribution by business segment

	<u>Quarter Ended</u>		<u>Period-to-Date Ended</u>	
	30.09.2025	30.09.2024⁽¹⁾	30.09.2025	30.09.2024⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM’000	RM’000	RM’000	RM’000
Supply and distribution segment	134,667	N/A	344,309	N/A
Manufacturing segment	905	N/A	2,607	N/A
Total	135,572	N/A	346,916	N/A

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PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A9. SEGMENTAL INFORMATION (CONT’D)

Notes:

- (1) This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.

N/A Not applicable.

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment in the current financial quarter under review.

A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no other material events subsequent to the end of the current quarter and financial period-to-date that have not been reflected in this interim financial report.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no other material changes in the composition of the Group and for the current financial quarter under review.

A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Save for the material litigation as disclosed in Note B9, there were no contingent liabilities or contingent assets in the Group as at the date of this interim report.

A14. CAPITAL COMMITMENTS

Saved as disclosed in the utilisation of proceeds from the IPO in Note B7, there is no material commitment for capital expenditure, which upon becoming enforceable, may have a material effect on the Group’s financial position as at the date of this interim financial report.

A15. RELATED PARTY TRANSACTIONS DISCLOSURES

The Group has not carried out any transactions with any related parties during the financial period.

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. REVIEW OF PERFORMANCE**

	<u>Quarter Ended</u>		<u>Period-To-Date Ended</u>	
	<u>30.09.2025</u>	<u>30.09.2024⁽¹⁾</u>	<u>30.09.2025</u>	<u>30.09.2024⁽¹⁾</u>
	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
Revenue	135,572	N/A	346,916	N/A
Profit before tax	6,796	N/A	13,597	N/A
Profit after tax	4,724	N/A	8,767	N/A

Notes:

- (1) This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.

N/A Not applicable.

The Group recorded a revenue of RM135.57 million in the current financial quarter and RM346.92 million in the financial period-to-date ended 30 September 2025 respectively.

The Group recognised a profit before tax of RM4.72 million and RM8.77 million for the current financial quarter and financial period-to-date ended 30 September 2025 respectively after deducting expenses which are mainly attributed to staff costs and directors' remuneration, impairment losses on trade receivables, realised and unrealised losses on foreign exchange, depreciation of property, plant and equipment, investment properties and right-of-use assets, and listing expenses attributable to the IPO. Excluding the one-off listing expenses attributed to the IPO recognised during this period which amounted to RM0.69 million, the Group's PBT would have been RM14.29 million in the financial period-to-date ended 30 September 2025.

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS**Current Financial Period ("3Q 2025") vs Preceding Financial Period ("2Q 2025")**

The Group recorded a revenue of RM135.57 million in 3Q 2025 as compared to RM116.34 million in 2Q 2025, representing an increase of RM19.23 million or 16.53%, mainly due to higher sales orders received from our local customers as a result of increase in demand in their projects, attributable to an increase in our local revenue contribution of 92.21% in 3Q 2025 as compared to 77.51% in 2Q 2025.

The balance of our revenue was derived from our overseas customers from Indonesia, Singapore, Vietnam, Thailand, Korea and Middle East.

The Group recorded a higher profit before taxation of RM6.80 million in 3Q 2025 as compared to a profit before taxation of RM2.42 million in 2Q 2025 representing an increase of RM4.38 million or 180.99% mainly due to an increase in gross profit margin to 11.12% in 3Q 2025 as compared to 8.40% in 2Q 2025. The improvement in our gross profit margin was mainly due to a shift in our revenue mix towards higher margin products such as special steel products supplied to our customers in data centres, construction and renewable energy sectors, combined with price adjustments.

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. PROSPECTS OF THE GROUP

The geopolitical tensions have seen to be de-escalating. However, the Group remains cognisant of residual uncertainties which could cloud global economy outlook. Countries worldwide are engaging with the Trump administration to address the escalation of tariffs, which have disrupted trade flows and instilled fears of potential recession. These tariffs introduced force countries to impose reciprocal trade, have triggered retaliatory measures, and increased unnecessary costs across many industries. The Group does not anticipate a material impact from the reciprocal tariffs, as sales are primarily domestic and the Group neither sources products from nor exports to the United States of America.

Malaysia's economic growth, however, may be affected by the recent tariff hikes imposed by the United States, of 19.0% reciprocal tariff on Malaysian imports. In the first quarter of 2025, Malaysia's gross domestic product ("GDP") growth reduced to 4.4%, and held steady at 4.5% in the second quarter, supported by resilient domestic demand. In light of tariff hike uncertainties which may affect global recovery, Bank Negara Malaysia has revised its 2025 GDP growth forecast to a range of 4.0%–4.8%, down from the earlier projection of 4.5%–5.5%.

The Group will however, remain cautious of any global macroeconomic challenges, and geopolitical tensions, trade policy risks, fluctuations in foreign exchange currencies which may affect global supply chain. The Group will be cautious in cost management and in its business expansion, whilst improving operational efficiency.

B4. VARIANCE OF ACTUAL PROFITS FROM FORECAST PROFITS

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

B5. TAX EXPENSES

	<u>Quarter Ended</u>		<u>Period-to-Date Ended</u>	
	30.09.2025	30.09.2024 ⁽¹⁾	30.09.2025	30.09.2024 ⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Tax expenses	2,072	N/A	4,830	N/A
Effective tax rate (%)	30.49	N/A	35.52	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Notes:

- (1) This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.

N/A Not applicable.

The Group's effective tax rate was higher than statutory tax rate mainly due to deferred tax recognised and certain expenses not being deductible for tax purposes such as listing expenses.

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B6. STATUS OF CORPORATE PROPOSALS**

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this interim report:-

- (i) On 6 August 2025, the Company has entered into a Memorandum of Understanding (“**MOU**”) with Maoming Port Group Co., Ltd and PCA Group Sdn Bhd to establish a basis of cooperation and collaboration in the oil & gas sector, and explore, develop and promote initiatives that will enhance the technical know-how of the Group and expand the Group’s footprint within the supply-chain as well as to other international markets.

The MOU will remain effective for a duration of one (1) year from the date of execution and it is not expected to have any material immediate effect on the earning per share, net assets per share and gearing of the Group for the financial period ended 30 September 2025.

B7. UTILISATION OF PROCEEDS FROM IPO

The status of the utilisation of gross proceeds raised from the IPO amounting to RM21.71 million is as follows:

	Proposed Utilisation RM'000	Actual Utilisation⁽²⁾ RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation from Listing
Utilisation of proceeds⁽¹⁾				
Establishment of a sales office in Indonesia	1,200	(168)	1,032	Within 42 months
Purchase of machinery and delivery trucks	1,440	-	1,440	Within 24 months
Repayment of bank borrowings	7,000	(34)	6,966	Within 24 months
General working capital	8,368	(8,368)	-	Within 12 months
Estimated listing expenses	3,700	(3,700)	-	Within 1 month
Total	21,708	(12,270)	9,438	

Notes:

- (1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 19 February 2025.

- (2) The actual amount utilised as at 30 September 2025.

B8. GROUP BORROWINGS AND DEBTS SECURITIES

The Group’s bank borrowings were as follows:

<u>Current</u>	<u>Unaudited</u> As at 30.09.2025 RM'000	<u>Audited</u> As at 31.12.2024 RM'000
<i>Secured</i>		
Bank overdrafts	3,796	4,426
Bankers’ acceptances	1,857	1,562
Invoice financing	51,461	28,745
Revolving credit	1,292	1,308
Trust receipts	33,756	38,497
Term loans	1,993	2,275
Hire purchase	430	634
	94,585	77,447

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. GROUP BORROWINGS AND DEBTS SECURITIES (CONT'D)

The Group's bank borrowings were as follows:

<u>Non-current</u>	<u>Unaudited</u> As at 30.09.2025 RM'000	<u>Audited</u> As at 31.12.2024 RM'000
<i>Secured</i>		
Term loans	29,239	30,186
Hire purchase	1,836	1,210
	<u>31,075</u>	<u>31,396</u>
Total	<u>125,660</u>	<u>108,843</u>

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. MATERIAL LITIGATION

Save as disclosed below, the Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and there is no proceeding pending or threatened or any fact likely to give rise to any proceeding which might materially or adversely affect its position or business as at the date of this interim report:

- (i) Shah Alam High Court Winding-Up Petition No. BA-28NCC-548-10/2023 ("**Petition**")

Saliran Industrial Supplies Sdn Bhd, a wholly-owned subsidiary of the Company ("**Saliran Industrial Supplies**")

Orient Arotek Engineering & Trading Sdn Bhd ("**Respondent**")

On 27 June 2023, Saliran Industrial Supplies through its solicitor, issued a letter of demand to the Respondent, demanding the sum of RM2,813,139.93 which represents the outstanding sum for the goods sold and delivered by Saliran Industrial Supplies to the Respondent during the period between 14 December 2022 to 1 June 2023 ("**Owing Sum**"). The Respondent failed, neglected, and refused to pay the Owing Sum or any part thereof. Consequently, on 9 November 2023, Saliran Industrial Supplies filed a winding-up petition against the Respondent for the Owing Sum.

Saliran Industrial Supplies sought for and is claiming for the following:-

- (a) the Respondent be wound-up;
- (b) the appointment of the official receiver as liquidator of the Respondent;
- (c) the allowance of costs and incidentals to the Petition to be paid out of the assets of the Respondent; and
- (d) any other orders the High Court deems fit.

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B9. MATERIAL LITIGATION (CONT'D)**

On 8 January 2024, the Respondent's solicitors filed a notice of intention to appear on petition for and on behalf of the Respondent. On the same day, the Respondent filed its affidavit in reply and denied the amount claimed by Saliran Industrial Supplies and stated the following:-

- (aa) Saliran Industrial Supplies had failed to fulfill the replacement request by the Respondent in relation to the damaged and defective goods supplied by Saliran Industrial Supplies;
- (bb) the amount claimed in the Petition was allegedly wrong and not bona fide as the same did not take into account a property made in favor of Saliran Industrial Supplies to contra and/or set-off debt owed by the Respondent; and
- (cc) the Petition is flawed as the Respondent had obtained an order from the High Court on 23 November 2023 for a scheme of arrangement and obtained a draft restraining order from the High Court on 4 January 2024 to restrain all creditors, including Saliran Industrial Supplies, from proceeding with legal action against the Respondent.

For information, the Respondent was wound up on 15 May 2024 in relation to a petition filed by third-party, Tegap Urus Trading & Construction Sdn Bhd. In relation thereto, the Petition was struck-out by the High Court on 1 July 2024 with liberty to file afresh with no order as to cost and the deposit of RM3,000.00 paid to the Director of General of Insolvency Department is to be refunded to Saliran Industrial Supplies.

Saliran Industrial Supplies had registered the Proof of Debt with the Insolvency Department on 26 May 2025 claiming for the Owing Sum, and pending further decision from the Malaysia Insolvency Department.

B10. DIVIDENDS

No dividend has been proposed or paid for the current financial quarter under review.

B11. EARNINGS PER SHARE

The basic and diluted EPS for the current quarter and financial period-to-date are computed as follows:

	<u>Quarter Ended</u>		<u>Period-to-Date Ended</u>	
	30.09.2025	30.09.2024⁽¹⁾	30.09.2025	30.09.2024⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Profit after tax attributable to the owners of the Company (RM'000)	4,724	N/A	8,767	N/A
Number of ordinary shares in issue ('000)	382,900	N/A	382,900	N/A
Basic and diluted EPS (sen) ⁽²⁾	1.23	N/A	2.29	N/A

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PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B11. EARNINGS PER SHARE (CONT'D)****Notes:**

- (1) This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.
- (2) Basic and diluted EPS is calculated based on the Company's enlarged share capital of 382,900,000 Shares in issue. Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review.

N/A Not applicable.

B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<u>Quarter Ended</u>		<u>Period-to-Date Ended</u>	
	30.09.2025 Unaudited RM'000	30.09.2024 ⁽¹⁾ Unaudited RM'000	30.09.2025 Unaudited RM'000	30.09.2024 ⁽¹⁾ Audited RM'000
Profit for the period was derived after taking into consideration of the following:				
Interest expense	2,103	N/A	5,784	N/A
Depreciation charges	480	N/A	1,405	N/A
Property, plant and equipment written off	-	N/A	6	N/A
Impairment loss on trade receivables	607	N/A	839	N/A
Realised loss on foreign exchange	178	N/A	319	N/A
Unrealised loss on foreign exchange	319	N/A	679	N/A
and after crediting:				
Interest income	(35)	N/A	(86)	N/A
Realised gain on foreign exchange	-	N/A	(326)	N/A

Notes:

- (1) This is the third interim financial report being announced in compliance with the Listing Requirements, therefore there are no comparative figures for the preceding corresponding quarter and period-to-date.

N/A Not applicable.

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**PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B13. AUTHORISATION FOR ISSUE**

The interim financial report was authorised for issue by the Board of Directors of the Company on 25 November 2025.

**BY ORDER OF THE BOARD
SALIRAN GROUP BERHAD**

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