SALIRAN GROUP BERHAD

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

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

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 ("Listing Requirements") 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 Malaysia Securities Berhad on 13 March 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026[(1)]

		Individual Quarter		Cumulative Quarter	
	Note	Current Quarter 30.06.2026 Unaudited RM'000	Preceding Corresponding Quarter 30.06.2025 Unaudited RM'000	Current Period-to-date 30.06.2026 Unaudited RM'000	Preceding Period-to-date 30.06.2025 Unaudited RM'000
Revenue		121,304	116,341	234,664	211,344
Cost of sales		(107,374)	(106,567)	(208,637)	(185,375)
Gross profit		13,930	9,774	26,027	25,969
Other operating income		993	679	1,401	1,316
Administrative expenses		(6,527)	(6,127)	(12,707)	(16,803)
Operating profit		8,396	4,326	14,721	10,482
Finance costs		(2,450)	(1,905)	(4,562)	(3,681)
Profit before tax	B12	5,946	2,421	10,159	6,801
Tax expenses	B5	(1,627)	(1,015)	(3,063)	(2,758)
Profit after tax/ Total comprehensive income		4,319	1,406	7,096	4,043
Profit attributable to:					
- Owners of the Company		4,319	1,406	7,096	4,043
Total comprehensive profit attributable to:					
- Owners of the Company		4,319	1,406	7,096	4,043
Basic and diluted earnings per share ("**EPS**") (sen)[(2)]	B11	1.13	0.40	1.85	1.15

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026[(1)] (CONT'D)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 as disclosed in Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

(2) Basic and diluted EPS is calculated based on the weighted average number of ordinary shares as disclosed in Note B11.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026(1)

	Note	Unaudited As at 30.06.2026 RM'000	Audited As at 31.12.2025 RM'000
Non-current assets			
Property, plant and equipment		22,908	22,518
Investment properties		14,086	14,192
Other investments		3,840	3,540
Investment in associates		*	*
		40,834	40,250
Current assets			
Inventories		44,382	19,510
Trade receivables		101,933	73,847
Other receivables, deposits and prepayments		746	1,428
Fixed deposits with licensed banks		31,964	27,260
Cash and bank balances		64,376	80,187
		243,401	202,232
Total assets		**284,235**	**242,482**
Equity attributable to owners of the Company			
Share capital		50,234	50,234
Merger reserve		(26,770)	(26,770)
Retained earnings		57,298	50,202
Total equity		80,762	73,666
Non-current liabilities			
Borrowings	B8	29,891	30,857
Lease liabilities		240	36
Deferred tax liabilities		284	298
		30,415	31,191
Current liabilities			
Trade payables		50,742	16,210
Other payables and accruals		6,727	4,824
Borrowings	B8	109,825	111,445
Lease liabilities		262	116
Current tax liabilities		5,502	5,030
		173,058	137,625
Total liabilities		203,473	168,816
Total equity and liabilities		**284,235**	**242,482**
Net assets per share (RM)(2)		0.21	0.19

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026[(1)] (CONT'D)

Notes:

* Denotes less than RM1,000/-.

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Financial Position is detailed in Note A1 and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 as disclosed in Annual Report 2025 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.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2026[(1)]

	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2026	50,234	(26,770)	50,202	73,666
Total comprehensive income for the financial period	-	-	7,096	7,096
Balance as at 30 June 2026 (Unaudited)	**50,234**	**(26,770)**	**57,298**	**80,762**

Note:

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity is detailed in Note A1 and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 as disclosed in Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2026[1]

	Current Period-to-date 30.06.2026 RM'000	Preceding Period-to-date 30.06.2025 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	10,159	6,801
Adjustments for:		
Depreciation of:		
- property, plant and equipment	679	642
- investment properties	106	106
- right-of-use assets	189	177
Bad debts written off	100	-
Property, plant and equipment written off	-	6
Reversal of impairment loss on trade receivables	(611)	-
Interest expense	4,562	3,681
Interest income	(325)	(175)
Loss due to de-recognition of lease modification	57	232
Unrealised loss on foreign exchange	10	360
Operating profit before changes in working capital	**14,926**	**11,830**
Changes in working capital:		
Inventories	(24,872)	400
Trade receivables	(27,580)	(10,731)
Other receivables, deposits and prepayments	682	430
Trade payables	34,527	6,962
Other payables and accruals	1,903	(2,325)
Cash (used in)/generated from operations	**(414)**	**6,566**
Interest received	325	175
Tax paid	(2,605)	(2,205)
Net cash (used in)/from operating activities	**(2,694)**	**4,536**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(780)	(1,073)
Purchase of right-of-use assets	(535)	(50)
Purchase of other investments	(300)	(500)
Net cash used in investing activities	**(1,615)**	**(1,623)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of bankers' acceptances	(487)	241
Net drawdown of invoice financing	3,864	12,718
Net repayment of trust receipts	(4,039)	(6,837)
Net repayment of revolving credit	(510)	(16)
Net (repayment)/drawdown of hire purchase	(297)	604
Net drawdown/(repayment) of lease liabilities	350	(65)
Repayment of term loans	(750)	(640)
Increase in fixed deposits pledged	(4,704)	(6,043)
Interest paid	(4,562)	(3,681)
Net proceeds from issuance of shares	-	19,982
Net cash (used in)/from financing activities	**(11,135)**	**16,263**
Net changes in cash and cash equivalents	(15,444)	19,176

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2026[1] (CONT'D)

	Current Period-to-date 30.06.2026 RM'000	Preceding Period-to-date 30.06.2025 RM'000
Net changes in cash and cash equivalents	(15,444)	19,176
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	75,315	33,853
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**59,871**	**53,029**
Cash and cash equivalents comprised of:		
Cash and bank balances	64,376	56,526
Fixed deposits with licensed banks	31,964	23,479
	96,340	80,005
Less:		
Fixed deposits pledged to licensed banks	(31,964)	(23,479)
Bank overdraft	(4,505)	(3,497)
	59,871	**53,029**

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 as disclosed in Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

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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.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 as disclosed in Annual Report 2025 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 2025.

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 June 2026:-

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*
- *Amendments to 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 is not expected to have any material impact to the consolidated financial statements of the Group upon its first adoption.

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 2025.

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 year-to-date under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates in the current quarter and financial year-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.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

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

	Quarter Ended		Period-to-Date Ended	
	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000
Supply and distribution segment	120,485	115,735	232,357	209,642
Manufacturing segment	819	606	2,307	1,702
Total	**121,304**	**116,341**	**234,664**	**211,344**

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.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

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

	Quarter Ended		Period-To-Date Ended	
	30.06.2026 Unaudited RM'000	**30.06.2025 Unaudited RM'000**	**30.06.2026 Unaudited RM'000**	**30.06.2025 Unaudited RM'000**
Revenue	121,304	116,341	234,664	211,344
Profit before tax	5,946	2,421	10,159	6,801
Profit after tax	4,319	1,406	7,096	4,043

Current Financial Period **("2Q 2026")** vs Preceding Year Corresponding Period **("2Q 2025")**

The Group recorded a higher revenue of RM121.30 million in 2Q 2026 as compared to RM116.34 million in 2Q 2025, representing an increase of RM4.96 million or 4.26%, mainly attributable to higher customers' orders received from the supply and distribution segment whilst the manufacturing segment contributed to the Group's revenue of RM0.82 million.

The Group recorded a higher profit before tax of RM5.95 million in 2Q 2026 as compared to RM2.42 million in 2Q 2025, representing an increase of RM3.53 million or 145.87%, mainly due to improvement in gross profit margin as a result of the Group's ability to negotiate for better discounts arising from bulk purchases and inventory management.

Cumulative six months ended 30 June 2026 ("**YTD 2Q 2026**") compared with preceding year corresponding cumulative six months ended 30 June 2025 ("**YTD 2Q 2025**")

The Group recorded a higher revenue of RM234.66 million in YTD 2Q 2026 as compared to RM211.34 million in YTD 2Q 2025, representing an increase of RM23.32 million or 11.03%, mainly driven by higher project deliveries in the supply and distribution segment due to the shift in revenue mix. Revenue from manufacturing segment also increased due to orders received from the new customers secured.

The Group recorded a higher profit before tax of RM10.16 million in YTD 2Q 2026 as compared to RM6.80 million in YTD 2Q 2025, representing an increase of RM3.36 million or 49.41%. The lower profit before tax in YTD 2Q 2025 was mainly due to higher administrative expenses as a result of impairment losses on trade receivables, realised losses on foreign exchange and listing expenses attributable to the IPO.

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS

	Quarter Ended	
	30.06.2026 Unaudited RM'000	**31.03.2026 Unaudited RM'000**
Revenue	121,304	113,360
Profit before tax	5,946	4,213
Profit after tax	4,319	2,777

Quarter ended 30 June 2026 **("2Q 2026")** vs 31 March 2026 **("1Q 2026")**

The Group recorded a higher revenue of RM121.30 million in 2Q 2026 as compared to RM113.36 million in 1Q 2026, representing an increase of RM7.94 million or 7.00%.

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

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS (CONT'D)

This was due to our ability in securing higher orders from our customers as we were able to provide wider range of products and stocks availability to meet our customers' requirement. Our local revenue contributed 94.08% in 2Q 2026 as compared to 98.77% in 1Q 2026.

The balance 5.92% of our revenue in 2Q 2026 was derived from our overseas customers from Indonesia and Singapore.

The Group recorded a higher profit before taxation of RM5.95 million in 2Q 2026 as compared to a profit before taxation of RM4.21 million in 1Q 2026 representing an increase of RM1.74 million or 41.33%. The higher profit before tax in 2Q 2026 were due to the Group's ability to negotiate for better discounts as a result of bulk purchases and inventory management.

B3. PROSPECTS OF THE GROUP

The global oil and gas industry is expected to remain resilient over the long term, with sustainable demand generated by the energy sectors. Reinvestments are expected to be driven by expansion and replacement in existing production assets, infrastructure upgrades, downstream capacity expansion, and maintenance for asset integrity, energy security and decarbonisation initiatives across both domestic and international markets.

Malaysia industry sectors remain resilient with continuous growth in local and export markets creating mid to long-term opportunities for the Group's diversified product offerings in sectors such as petrochemicals, palm oil and refinery, power generation, water treatment, semiconductors and data center. Malaysia's economy continued to grow in the second quarter of 2026, expanding by 6.0 per cent as compared to 5.4 per cent in the preceding quarter. From the supply perspective, the services sector continued to underpin the economic growth during the quarter, with all sectors registering positive growth except for the agriculture sector. Consequently, the economy expanded by 5.7 per cent in the first half of 2026, higher than 4.5 per cent growth in the corresponding period of 2025. The performance of manufacturing sector accelerated to 7.3 per cent in this quarter, as against 5.9 per cent in the first quarter of 2026. The favourable performance of this sector was driven by the strong growth in all sub-sectors, particularly the electrical, electronic and optical products, petroleum, chemical, rubber and plastic products.

The Group, however, will 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 disciplined in cost management and cautious in its business expansion, whilst improving operational efficiency.

Barring any unforeseen circumstances, the Group believes that its prospects in the supply and distribution of pipes, fittings and flanges as well as steel products primarily for the oil and gas industry are favourable taking into consideration the Group's competitive strengths, and strategies to expand into Indonesia and neighbouring overseas markets, enhance quality assurance and control procedures, expand its fleet of delivery trucks and further develop and grow the supply and distribution of the Group's jointly-owned brand products, i.e. "THF" products.

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.

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

B5. INCOME TAX EXPENSES

	Quarter Ended		Period-to-Date Ended	
	30.06.2026 Unaudited RM'000	**30.06.2025 Unaudited RM'000**	**30.06.2026 Unaudited RM'000**	**30.06.2025 Unaudited RM'000**
Income tax expenses	1,627	1,015	3,063	2,758
Effective tax rate (%)	27.36	41.92	30.15	35.12
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate in the current quarter under review is higher than the statutory tax rate due to certain expenses not being deductible for tax purposes such as depreciation of property, plant and equipment, professional fee and stamp duties for additional banking facilities drawdown, and higher entertainment expenses. The effective tax rate for the preceding year corresponding quarter was higher than the current quarter under review mainly due to certain expenses not being deductible for tax purposes such as listing expenses which were incurred in preceding year corresponding quarter.

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 Company and its subsidiaries ("**Group**") and expand the Group's footprint within the supply-chain as well as to other international markets.

The said MOU had lapsed on 6 August 2026.

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:

Utilisation of proceeds[1]	Proposed Utilisation RM'000	Actual Utilisation[2] RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation from Listing
Establishment of a sales office in Indonesia	1,200	(375)	825	Within 42 months
Purchase of machinery and delivery trucks	1,440	(777)	663	Within 24 months
Repayment of bank borrowings	7,000	(3,012)	3,988	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**	**(16,232)**	**5,476**	

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

B7. UTILISATION OF PROCEEDS FROM IPO (CONT'D)

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 was as at 30 June 2026.

B8. GROUP BORROWINGS AND DEBTS SECURITIES

The Group's bank borrowings were as follows:

	Unaudited As at 30.06.2026 RM'000	Audited As at 31.12.2025 RM'000
Current		
Secured		
Bank overdrafts	4,505	4,872
Bankers' acceptances	1,261	1,748
Invoice financing	61,531	57,667
Revolving credit	772	1,282
Trust receipts	39,198	43,237
Term loans	2,110	2,098
Hire Purchase	448	541
	109,825	111,445
Non-current		
Secured		
Term loans	28,521	29,283
Hire Purchase	1,370	1,574
	29,891	30,857
Total	**139,716**	**142,302**

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**") and 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.

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

B9. MATERIAL LITIGATION (CONT'D)

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.

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 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. We were informed by our lawyers on 24 August 2026 that the Insolvency Department have yet to fix the matter for a Creditors' Meeting.

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:

	Quarter Ended		Period-to-Date Ended	
	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000
Profit attributable to the Owners of the Company (RM'000)	4,319	1,406	7,096	4,043
Number of ordinary shares in issue ('000)	382,900[(2)]	351,362[(1)]	382,900[(2)]	351,362[(1)]
Basic and diluted EPS (sen)[(2)]	1.13	0.40	1.85	1.15

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) Basic and diluted EPS is calculated based on the Company's weighted average number of ordinary shares (for the financial period 30 June 2025: 351,361,878). Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review.

(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.

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

	Quarter Ended		Period-to-Date Ended	
	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000	30.06.2026 Unaudited RM'000	30.06.2025 Unaudited RM'000
Profit for the period was derived after charging the following:				
Interest expense	2,450	1,905	4,562	3,681
Depreciation expenses	497	487	974	925
Bad debts written off	100	-	100	-
Impairment loss on trade receivables	-	232	-	232
Realised loss on foreign exchange	-	141	-	141
Unrealised (gain)/loss on foreign exchange	-	(214)	10	360
and after crediting:				
Interest income	(127)	(36)	(325)	(175)
Reversal of impairment loss on trade receivables	(123)	-	(611)	-
Realised gain on foreign exchange	-	(34)	-	(326)

B13. AUTHORISATION FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors of the Company on 27 August 2026.

BY ORDER OF THE BOARD
SALIRAN GROUP BERHAD

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