



LEFORM BERHAD
利 峰 钢 铁 集 团
GROUP OF COMPANIES

LEFORM BERHAD

Registration No. 199501001582 (330776-K)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2025

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

<i>in thousands of RM</i>	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30-Sep-25 (Unaudited)	Corresponding Quarter Ended 30-Sep-24 (Unaudited)	Cumulative Year to Date 30-Sep-25 (Unaudited)	Cumulative Year to Date 30-Sep-24 (Unaudited)
Revenue	85,041	91,780	249,637	296,034
Results from operating activities	1,974	(1,148)	5,527	3,340
Finance costs	(2,487)	(2,857)	(7,429)	(8,742)
Interest income	145	45	243	136
Other income	584	2,302	2,729	5,579
Profit/(Loss) before tax	216	(1,658)	1,070	313
Income tax expense	(110)	(18)	(184)	(54)
Profit/(Loss) for the period	106	(1,676)	886	259
Profit/(Loss) after tax/Total comprehensive income/(loss) attributable to:-				
Owners of the Company	548	(965)	1,498	1,063
Non-controlling interests	(442)	(711)	(612)	(804)
	106	(1,676)	886	259
Earnings/(Loss) per ordinary share				
Basic (Sen)	0.04	(0.07)	0.10	0.07

The above unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025**

in thousands of RM	As at 30-Sep-25 (Unaudited)	As at 31-Dec-24 (Audited)
Assets		
Non-Current Assets		
Property, plant and equipment	169,107	164,438
Investment properties	9,140	9,309
Right-of-use assets	3,558	3,596
Goodwill	2,702	2,702
Investment in joint venture	-	- ¹
Total Non-Current Assets	184,507	180,045
Current Assets		
Inventories	129,238	147,103
Trade and other receivables	100,384	101,885
Contract assets	1,994	4,737
Current tax assets	11,032	11,372
Fixed deposits with licensed banks	9,028	7,584
Cash and bank balances	2,642	4,142
Total Current Assets	254,318	276,823
Total Assets	438,825	456,868
Equity and Liabilities		
Equity		
Share capital	146,909	146,909
Reserves	74,425	72,927
Equity attributable to owners of the Company	221,334	219,836
Non-controlling interests	436	1,048
Total Equity	221,770	220,884
Non-current liabilities		
Loans and borrowings	7,150	9,274
Deferred tax liabilities	9,765	9,748
Total Non-Current Liabilities	16,915	19,022

¹ Amount is less than RM1,000

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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

<i>in thousands of RM</i>	As at 30-Sep-25 (Unaudited)	As at 31-Dec-24 (Audited)
Current Liabilities		
Trade and other payables	54,768	56,249
Loans and borrowings	145,130	160,701
Current tax liabilities	242	12
Total Current Liabilities	200,140	216,962
Total Liabilities	217,055	235,984
Total Equity and Liabilities	438,825	456,868
Net assets per share attributable to owners of the Company (sen)*	14.94	14.84

* Calculated based on net assets attributable to owners of the Company divided by the Company's weighted average number of ordinary shares in issue

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2025

<i>in thousands of RM</i>	Share Capital	Non- Distributable Revaluation Reserves	Distributable Retained Profits	Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
Balance at 1 January 2024	146,909	45,732	21,178	213,819	2,141	215,960
Profit/(loss) for the period	-	-	1,063	1,063	(804)	259
Distributions to owners of the Company:						
- Dividend by a subsidiary to non-controlling interest	-	-	-	-	(100)	(100)
Balance at 30 September 2024	146,909	45,732	22,241	214,882	1,237	216,119
Balance at 1 January 2025	146,909	49,328	23,599	219,836	1,048	220,884
Profit/(Loss) for the period	-	-	1,498	1,498	(612)	886
Balance at 30 September 2025	146,909	49,328	25,097	221,334	436	221,770

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
QUARTER ENDED 30 SEPTEMBER 2025**

<i>in thousands of RM</i>	For the 9 months ended	
	30-Sep-25 (Unaudited)	30-Sep-24 (Unaudited)
Cash flows from operating activities		
Profit before taxation	1,070	313
Adjustments for non-cash items	11,567	13,505
Operating profit before working capital changes	12,637	13,818
Changes in working capital		
Inventories	18,466	1,210
Trade and other receivables	4,717	5,727
Trade and other payables	(1,480)	11,645
Cash from operations	34,340	32,400
Income tax refunded/(paid)	404	(134)
Net cash from operating activities	34,744	32,266
Cash flows (used in)/from investing activities		
Additions of deposits pledged with licensed financial banks	(1,444)	(1,129)
Interest income received	243	136
Addition of right-of-use assets	-	(3,627)
Purchase of property, plant and equipment	(10,433)	(18,050)
Proceeds from disposal of plant and equipment	514	149
Net cash used in investing activities	(11,120)	(22,521)
Cash flows used in financing activities		
Dividends paid to non-controlling interests	-	(100)
Interest paid	(7,429)	(8,742)
Net repayments of loans and borrowings	(25,470)	(22,505)
Net cash used in financing activities	(32,899)	(31,347)
Net decrease in cash and cash equivalents	(9,275)	(21,602)
Cash and cash equivalents at beginning of the period	(5,174)	12,142
Cash and cash equivalents at end of the period	(14,449)	(9,460)

The above unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A1. BASIS OF PREPARATION

The interim financial report (“Interim Financial Report”) has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”).

This Interim Financial Report should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this Interim Financial Report.

A2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Leform Berhad and its subsidiaries (“Group”) have been prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The significant accounting policies and methods of computation adopted by the Group in this Interim Financial Report are consistent with those adopted in preparation of the audited financial statements for the financial year ended 31 December 2024.

During the financial period, the Group has adopted the following amendments to the accounting standard issued by the Malaysian Accounting Standards Board (“MASB”), which became effective for annual periods beginning on or after 1 January 2025:-

- Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above amendments to the accounting standard did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standards that have been issued by the MASB but are not yet effective for the current period:-

MFRS (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Annual Improvements to MFRS Accounting Standards - Volume 11	Deferred
Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9, Financial Instruments and MFRS 7 - Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027

The adoption of the above accounting standards is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. AUDIT QUALIFICATIONS

There was no audit qualification in the annual financial statements of the Group for the financial year ended 31 December 2024.

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not affected by any seasonal or cyclical factors.

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

There were no unusual items that had a material effect on the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported which have a material effect on the results of the Group for the current quarter under review.

A7. DEBTS AND EQUITY SECURITIES

There was no issuance, repurchase, resale or repayment of debts and equity securities in the current quarter under review.

A8. DIVIDENDS PAID

No dividends were paid during the current quarter under review.

A9. SEGMENTAL INFORMATION

The Group is organised into 3 main reportable segments as follows:-

- *Manufacturing segment:* involved in manufacturing of steel products comprising steel pipes, guardrails and flat steel products.
- *Trading segment:* involved in trading of steel products which are deemed complementary to its manufacturing segment.
- *Other segment:* involved in provision of transport and carrier services of the Group's finished steel products.

LEFORM BERHAD (Registration No. 199501001582 (330776-K))
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. SEGMENTAL INFORMATION (CONT'D)

<i>in thousands of RM</i>	INDIVIDUAL QUARTER			
	30-Sep-25		30-Sep-24	
	Segmental Revenue (Unaudited)	Profit/(Loss) Before Tax (Unaudited)	Segmental Revenue (Unaudited)	Profit/(Loss) Before Tax (Unaudited)
Manufacturing	72,930	(394)	79,575	(1,414)
Trading	25,897	569	25,527	(149)
Transportation	584	60	644	20
	99,411	235	105,746	(1,543)
Elimination	(14,370)	(19)	(13,966)	(115)
	85,041	216	91,780	(1,658)

<i>in thousands of RM</i>	CUMULATIVE QUARTER			
	30-Sep-25		30-Sep-24	
	Segmental Revenue (Unaudited)	Profit Before Tax (Unaudited)	Segmental Revenue (Unaudited)	Profit Before Tax (Unaudited)
Manufacturing	216,451	392	265,650	2,209
Trading	74,547	507	91,638	259
Transportation	1,899	160	1,911	1
	292,897	1,059	359,199	2,469
Elimination	(43,260)	11	(63,165)	(2,156)
	249,637	1,070	296,034	313

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Pursuant to the revaluation model applied for land and buildings, the Group's land and buildings are subsequently measured at revalued amount less accumulated depreciation and any accumulated impairment losses.

The valuation of land and buildings were brought forward without amendment from the annual audited financial statements for the year ended 31 December 2024.

A11. RELATED PARTY DISCLOSURES

There are no related party transactions for the current quarter under review.

A12. MATERIAL EVENT SUBSEQUENT TO THE END OF THE CURRENT QUARTER

There were no material event subsequent to the end of the current quarter.

A13. CHANGES IN COMPOSITION OF THE GROUP

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

A14. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or contingent liabilities as at the date of this Interim Financial Report.

A15. CAPITAL COMMITMENTS

<i>in thousands of RM</i>	As at 30-Sep-25	As at 31-Dec-24
Authorised and not contracted for:-		
- Purchase of equipment	3,406	2,742
- Construction of property	756	1,758
	<hr/> <hr/> <hr/> 4,162	<hr/> <hr/> <hr/> 4,500

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW

The Group's revenue recorded a decrease in the current quarter by RM6.7 million or 7% and a decrease in the cumulative quarter by RM46.4 million or 16%. The Group recorded a profit before tax of RM0.2 million as compared to a loss before tax of RM1.7 million in the previous quarter and the cumulative quarter's profit before tax recorded an increase of RM0.8 million or 242%.

The performance of the respective operating segments is outlined below:-

Manufacturing Segment

Revenue for the segment recorded a decrease in the current quarter by RM6.6 million or 8%, and a decrease in the cumulative quarter by RM49.2 million or 19%. The decrease was mainly due to lower average selling prices.

The segment's loss before tax recorded a decrease in the current quarter by RM1.0 million or 72% and the cumulative quarter's profit before tax recorded a decrease by RM1.8 million or 82%. The lower losses in the current quarter was mainly attributable to greater margin compression in the previous quarter. Conversely, the decline in cumulative profit before tax reflected the stronger average selling prices in 2024, which led to comparatively lower margins in the current period.

Trading Segment

Revenue for the segment recorded an increase in the current quarter by RM0.4 million or 1% and a decrease in the cumulative quarter by RM17.0 million or 19%. The decrease in the cumulative quarter was mainly due to lower average selling prices.

The segment recorded a profit before tax of RM0.6 million in the current quarter as compared to a loss before tax of RM0.1 million in the previous quarter and the cumulative quarter's profit before tax recorded an increase of RM0.2 million or 96%. The improvement was mainly driven by higher trading margins.

Transportation Segment

The fluctuations in the segment have no significant impact to the Group.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B2. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

<i>in thousands of RM</i>	Segmental Revenue			Segmental Profit Before Tax		
	30-Sep-25	30-Jun-25	Changes	30-Sep-25	30-Jun-25	Changes
Manufacturing Trading Transportation	72,930	70,787	2,143	(394)	262	(656)
	25,897	26,979	(1,082)	569	322	247
	584	620	(36)	60	41	19
	99,411	98,386	1,025	235	625	(390)
Elimination	(14,370)	(16,358)	1,988	(19)	-	(19)
	85,041	82,028	3,013	216	625	(409)

The Group's revenue recorded an increase in the current quarter by RM3.0 million or 4%, and recorded a decrease in profit before tax in the current quarter by RM0.4 million or 65%. The decline in the Group's profit albeit a marginal increase in the Group's revenue was due to the gain on disposal in motor vehicles and lower provisioning requirements for slow-moving inventories and trade receivables recorded in the previous quarter.

B3. COMMENTARY ON PROSPECTS

Malaysia's steel demand trajectory remains encouraging, supported by sustained progress in infrastructure development, the rapid expansion of data centres, and a stable construction sector. The recent reduction in the Overnight Policy Rate and continued moderation in material costs are expected to further stimulate domestic activity. These trends are favourable for downstream and value-added steel players.

At the same time, the industry continues to operate against a backdrop of structural challenges, including excess regional capacity, heightened import competition, and global price volatility. The Government's Steel Industry Roadmap 2035, which emphasises stricter licensing controls, improved capacity management, and the gradual transition towards low-carbon production, is expected to reshape sector dynamics over the medium term.

The Group's imminent commencement of operations of its integrated warehouse facility will meaningfully enhance storage capability and operational efficiency, strengthening its ability to serve customers and support future growth. While external uncertainties remain, the Group's domestic orientation, disciplined cost management, and focus on operational improvement position the Group to navigate industry headwinds and capture emerging opportunities.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

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

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B5. INCOME TAX EXPENSE

<i>in thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended <u>30-Sep-25</u>	Corresponding Quarter Ended <u>30-Sep-24</u>	Current Year To Date <u>30-Sep-25</u>	Corresponding Year To Date <u>30-Sep-24</u>
Current Tax				
- Current year	65	7	139	943
- Prior year	28	11	28	11
Deferred Tax				
- Current year	17	-	17	(900)
	<u>110</u>	<u>18</u>	<u>184</u>	<u>54</u>
Effective tax rate	50.9%	1.1%	17.2%	17.3%

The Group's effective tax rate for the current quarter is higher than the statutory tax rate. This was mainly due to the Group consolidating losses incurred by certain subsidiaries, while tax expense was computed based on taxable profits at Company level. For the cumulative quarter, the effective tax rate was lower than the statutory rate, reflecting the utilisation of capital allowances during the period.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B6. BORROWINGS AND DEBT SECURITIES

<i>in thousands of RM</i>	As at 30-Sep-25	As at 31-Dec-24
Secured		
- Term loans	5,473	5,719
- Hire purchase payables	6,515	5,048
- Bankers' acceptance and trust receipts	113,201	139,892
- Revolving credit	10,000	10,000
- Bank overdrafts	17,091	9,316
	152,280	169,975
Non-current liabilities	7,150	9,274
Current liabilities	145,130	160,701

B7. CHANGES IN MATERIAL LITIGATION

As of the date of this Interim Financial Report, there was no material litigation against the Group.

B8. DIVIDEND

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

B9. DERIVATIVES

There were no derivatives outstanding in the current quarter under review.

B10. EARNINGS/(LOSS) / DILUTED EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share for the period is based on the net profit/(loss) attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the period as follows:-

	INDIVIDUAL QUARTER	CUMULATIVE QUARTER		
	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24
Profit/(loss) attributable to owners of the Company (RM'000)	548	(965)	1,498	1,063
Weighted average number of ordinary shares in issue ('000)	1,481,013	1,481,013	1,481,013	1,481,013
Basic earnings/(loss) per share (Sen)	0.04	(0.07)	0.10	0.07

The Company has not issued any dilutive instrument and hence, the diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Profit/(Loss) before taxation is arrived after crediting/(charging):-

<i>in thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30-Sep-25	Corresponding Quarter Ended 30-Sep-24	Current Year To Date 30-Sep-25	Corresponding Year To Date 30-Sep-24
a. Interest income on financial assets measured at amortised costs	145	45	243	136
b. Interest expense on financial liabilities that are not at fair value through profit or loss	(2,487)	(2,857)	(7,429)	(8,742)
c. Depreciation	(1,839)	(1,893)	(5,907)	(5,550)
d. Reversal of impairment loss on trade receivables	-	-	474	-
e. Reversal of allowance for slow-moving and obsolete stock	-	502	601	502
f. Net gain on disposal of property, plant and equipment	21	-	450	149
g. Unrealised (loss)/gain on derivatives	-	(22)	-	-

B12. STATUS OF CORPORATE PROPOSALS

On 28 February 2025, the Company announced that the Board of Directors (“Board”) had proposed to undertake a private placement of up to 10% of the total number of issued shares of Leform (excluding treasury shares, if any) to third party investor(s) to be identified later at an issue price to be determined and announced later, in accordance with Sections 75 and 76 of the Companies Act 2016 (“Private Placement”).

On 25 March 2025, Bursa Malaysia Securities Berhad had resolved to approve the listing and quotation of up to 148,101,300 ordinary shares in Leform to be issued pursuant to the Private Placement. The Company has yet to place out any shares pursuant to the Private Placement as at the reporting date.

B13. AUTHORISATION FOR ISSUE

The Interim Financial Report was authorised for issue by the Board in accordance with a resolution of the Board dated 27 November 2025.