



Sapura Industrial Berhad
Registration No. : 197401000510 (17547-W)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 31 JULY 2025

The unaudited financial results of Sapura Industrial Berhad Group
for the period ended 31 July 2025

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SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JULY 2025
THE FIGURES HAVE NOT BEEN AUDITED

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Quarter Ended 31.07.2025 RM'000	Comparative Quarter Ended 31.07.2024 RM'000	6 months Cumulative To date 31.07.2025 RM'000	6 months Cumulative To date 31.07.2024 RM'000
Revenue	69,889	71,959	133,599	141,189
Cost of sales	(56,483)	(63,121)	(111,704)	(123,745)
Gross profit	13,406	8,838	21,895	17,444
Other income	910	1,591	2,936	3,726
Operating expenses	(8,141)	(7,126)	(16,122)	(14,322)
Finance costs	(847)	(654)	(1,602)	(1,361)
Profit before tax	5,328	2,649	7,107	5,487
Tax expense	(1,810)	(1,196)	(2,430)	(2,428)
Profit after tax, representing total comprehensive income for the period	3,518	1,453	4,677	3,059
Profit/(loss) for the period attributable to:				
Owners of the parent	3,520	1,457	4,755	3,067
Non-controlling interest	(2)	(4)	(78)	(8)
	3,518	1,453	4,677	3,059
Total comprehensive income/(loss) attributable to:				
Owners of the parent	3,520	1,457	4,755	3,067
Non-controlling interest	(2)	(4)	(78)	(8)
	3,518	1,453	4,677	3,059
Earnings per share attributable to owners of the parent (sen):				
Basic, for profit from operations	4.84	2.00	6.53	4.21

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2025 and the accompanying explanatory notes attached to the Interim Financial Statements)

SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2025

	Unaudited 31.07.2025 RM'000	Audited 31.01.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	72,634	74,097
Investment properties	31,555	31,673
Goodwill	117	117
Development expenditure	1,209	1,467
Other receivables	258	104
Deferred tax assets	320	920
	<u>106,093</u>	<u>108,378</u>
Current assets		
Inventories	27,362	32,320
Tax recoverable	1,525	1,487
Trade and other receivables	35,272	36,076
Short term investments	30,889	23,186
Cash and bank balances	27,632	13,420
	<u>122,680</u>	<u>106,489</u>
TOTAL ASSETS	<u>228,773</u>	<u>214,867</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	74,976	74,976
Retained profits	43,764	41,920
	<u>118,740</u>	<u>116,896</u>
Non-Controlling Interest	1,550	1,628
Total equity	<u>120,290</u>	<u>118,524</u>
Non-current liabilities		
Retirement benefit obligations	9,043	9,110
Loans and borrowings	30,716	37,516
Lease liabilities	1,223	1,303
Deferred tax liabilities	2,951	4,135
Provisions	297	291
	<u>44,230</u>	<u>52,355</u>
Current liabilities		
Retirement benefit obligations	295	144
Trade and other payables	39,325	34,180
Tax payable	-	251
Loans and borrowings	24,187	8,881
Lease liabilities	446	532
	<u>64,253</u>	<u>43,988</u>
Total liabilities	<u>108,483</u>	<u>96,343</u>
TOTAL EQUITY AND LIABILITIES	<u>228,773</u>	<u>214,867</u>
Net assets per share attributable to ordinary equity holders of the parents (RM)	1.63	1.61

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2025 and the accompanying explanatory notes attached to the Interim Financial Statements)

SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JULY 2025

	← Attributable to owners of the parent →				
	Non-Distributable			Non-controlling	Total
	Share capital	Distributable	Total	interests	equity
	RM'000	Retained profits	RM'000	RM'000	RM'000
		RM'000			
For Quarter					
Ended 31 July 2025					
As at 1 February 2025	74,976	41,920	116,896	1,628	118,524
Total comprehensive income/(loss) for the period	-	4,755	4,755	(78)	4,677
Dividends on ordinary shares	-	(2,911)	(2,911)	-	(2,911)
As at 31 July 2025	74,976	43,764	118,740	1,550	120,290
For Quarter					
Ended 31 July 2024					
As at 1 February 2024	74,976	36,551	111,527	1,409	112,936
Total comprehensive income/(loss) for the period	-	3,067	3,067	(8)	3,059
Dividends on ordinary shares	-	(3,639)	(3,639)	-	(3,639)
As at 31 July 2024	74,976	35,979	110,955	1,401	112,356

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2025 and the accompanying explanatory notes attached to the Interim Financial Statements)

SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JULY 2025

	6 MONTHS ENDED 31.07.2025 RM'000	6 MONTHS ENDED 31.07.2024 RM'000
Operating activities		
Profit before tax	7,107	5,487
Adjustments for:		
Depreciation of property, plant and equipment	6,171	6,980
Depreciation of investment properties	225	196
Depreciation of right of use assets	279	1,556
Property, plant and equipment written off	-	1,963
Amortisation of development expenditure	219	348
Profit from short term investments	(484)	(377)
Unrealised loss on foreign exchange	187	18
Increase in liability for defined benefit plan	389	470
Inventories written-off	-	283
Net movement in provision	90	1
Interest expense	1,602	1,361
Operating profit before working capital changes	15,725	18,286
Decrease/(increase) in inventories	4,958	(782)
Decrease in trade and other receivables	968	4,912
Increase/(decrease) in trade and other payables	4,331	(3,634)
Utilisation of provision	324	32
Cash generated from operations	26,306	18,814
Interest paid	(1,602)	(1,361)
Taxes paid	(3,303)	(1,562)
Retirement benefits paid	(305)	(466)
Net cash generated from operating activities	21,096	15,425
Investing activities		
Purchase of property, plant and equipment	(4,947)	(9,548)
(Placement in)/withdrawal of money market funds	(7,219)	3,018
Development expenditure incurred	(60)	(530)
Net cash used in investing activities	(12,226)	(7,060)

SAPURA INDUSTRIAL BERHAD [197401000510(17547-W)]
CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd.)
FOR THE PERIOD ENDED 31 JULY 2025

	6 MONTHS ENDED 31.07.2025 RM'000	6 MONTHS ENDED 31.07.2024 RM'000
Financing activities		
Net drawdown/(repayment) of term loans	10,554	(2,249)
Net (repayment)/drawdown of other short term borrowings	(2,002)	247
Repayment of hire purchase	(47)	(45)
Repayment of lease liabilities	(253)	(550)
Dividends paid on ordinary shares	(2,911)	-
Net cash used in financing activities	<u>5,341</u>	<u>(2,597)</u>
Net increase in cash and cash equivalents	14,212	5,768
Cash and cash equivalents at beginning of period	<u>13,420</u>	<u>8,797</u>
Cash and cash equivalents at end of period	<u>27,632</u>	<u>14,565</u>
Analysis of cash and cash equivalents:		
Deposits, cash and bank balances	<u>27,632</u>	<u>14,565</u>
Cash and cash equivalents at end of period	<u>27,632</u>	<u>14,565</u>

**(The Consolidated Statement of Cash Flows should be read in conjunction with the
Financial Statements for the year ended 31 January 2025 and the accompanying
explanatory notes attached to the Interim Financial Statements)**

Notes to the Interim Financial Statements - 31 July 2025

Part A - EXPLANATORY NOTES

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2025.

A2. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except in the current period, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2025.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates : Lack of Exchangeability	1 January 2025

The adoption of the above standard did not have any significant impact on the financial performance or position of the Group.

Standards issued but not yet effective

The standards and interpretations that have been issued but not yet effective are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 : Annual Improvements - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 : Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Notes to the Interim Financial Statements - 31 July 2025 (cont'd.)

Part A - EXPLANATORY NOTES (cont'd.)

A3. Seasonal and Cyclical Factors

The Group's results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items Due To Their Nature, Size or Incidence

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A5. Material Changes in Estimates

There were no material changes in estimates reported in the financial period under review.

A6. Issuance and Repayment of Debt and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Company during the financial period under review.

A7. Dividends Paid

A final single tier dividend of 4.0 sen per ordinary share totalling RM2,911,029 in respect of the financial year ended 31 January 2025, was paid on 21 July 2025.

A8. Segmental Information

The Group is divided into three distinct segments as described below:

Investment Holding - mainly provision of corporate & management services for companies within the Group.

Manufacturing - comprising business units which can be sub-divided into three core expertise areas: Precision Machining, Chassis & Modular Assembly and Hot & Cold Forming. Products manufactured are mainly to cater for the Original Equipment Manufacturer (OEM) markets.

Others - these consist of trading of automotive components for the Replacement Markets (REM), provision of technical services for companies within the Group and provision of vehicle maintenance and training services.

Notes to the Interim Financial Statements - 31 July 2025 (cont'd.)

Part A - EXPLANATORY NOTES (cont'd.)

A8. Segmental Information (cont'd.)

Analysis of the Group's revenue and results by business are as follows:-

	3 months ended 31 July 2025		3 months ended 31 July 2024	
	Revenue RM'000	Profit/(Loss) before taxation RM'000	Revenue RM'000	Profit/(Loss) before taxation RM'000
Investment Holding	3,912	(1,731)	4,015	(878)
Manufacturing	68,697	7,488	71,941	3,362
Others	1,192	(443)	481	110
	<u>73,801</u>	<u>5,314</u>	<u>76,437</u>	<u>2,594</u>
Eliminations	<u>(3,912)</u>	<u>14</u>	<u>(4,478)</u>	<u>55</u>
	<u>69,889</u>	<u>5,328</u>	<u>71,959</u>	<u>2,649</u>
	Cumulative 6 months ended 31 July 2025		Cumulative 6 months ended 31 July 2024	
	Revenue RM'000	Profit/(Loss) before taxation RM'000	Revenue RM'000	Profit/(Loss) before taxation RM'000
Investment Holding	8,186	(2,280)	7,942	(1,581)
Manufacturing	132,052	9,306	141,153	6,956
Others	1,547	40	499	152
	<u>141,785</u>	<u>7,066</u>	<u>149,594</u>	<u>5,527</u>
Eliminations	<u>(8,186)</u>	<u>41</u>	<u>(8,405)</u>	<u>(40)</u>
	<u>133,599</u>	<u>7,107</u>	<u>141,189</u>	<u>5,487</u>

No geographical segment is presented as the Group's activities are carried out in Malaysia.

A9. Property, Plant and Equipment

The carrying amounts of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

A10. Material Events Subsequent to the End of the Period

There were no material events subsequent to the end of the financial period under review.

A11. Changes in Composition of the Group

There were no changes in the Group's composition during the financial period under review.

Notes to the Interim Financial Statements - 31 July 2025 (cont'd.)

Part A - EXPLANATORY NOTES (cont'd.)

A12. Contingent Liabilities

There was no contingent liability for the Group during the financial period under review.

A13. Capital Commitments

	As at 31 July 2025 RM'000	As at 31 January 2025 RM'000
Capital expenditure		
Property, plant and equipment:		
Approved and contracted for	3,637	2,431
Approved but not contracted for	6,636	4,504

Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. Overall Review of Group's Financial Performance

Quarter 2 FY2026 vs Quarter 2 FY2025

The Group recorded revenue of RM69.9 million for the current quarter against RM72.0 million in the previous year's corresponding quarter as a result of lower volumes from several OEMs.

The Group generated net profit of RM3.5 million in the current quarter as compared to net profit of RM1.5 million in the previous year's corresponding quarter contributed by operational costs reductions and a one-off claim made to a customer.

Year-to-Date (YTD) Quarter 2 FY2026 vs YTD Quarter 2 FY2025

Revenue for YTD Quarter 2 FY2026 stood at RM133.6 million, which was lower than the previous year's corresponding period of RM141.2 million driven by lower volume demand as explained above. Net profit was RM4.7 million for the current YTD period as compared to a net profit of RM3.1 million in previous year's corresponding period.

Performance Current Quarter against Immediate Preceding Quarter

The Group's recorded revenue of RM69.9 million for the current quarter was higher than the immediate preceding quarter of RM63.7 million. Accordingly, the Group generated a net profit of RM3.5 million in the current quarter as compared to RM1.2 million in the immediate preceding quarter.

Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)

B2. Segmental Analysis

Investment Holding

Revenue for the Investment Holding segment relates to management fee income from subsidiaries.

Manufacturing

Reasons for movements in revenue and profit for this segment is explained in the overall group performance (Section B1) as the manufacturing segment is the main contributor to the Group's results.

B3. Group's Prospect

The Malaysian Automotive Association (MAA) forecasts Total Industry Volume (TIV) for 2025 at 780,000 units, a 4.5% decrease from 2024's record of 816,747 units (Source: Malaysian Automotive Association, 21 January 2025). The Group expects its volumes to remain consistent throughout the year and will continue to focus on operational efficiencies, improving productivity and optimising its resources to meet customers' demand.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

B5. Tax Expense

	Current Quarter RM'000	Year to date RM'000
Current income tax:		
Malaysia income tax	2,020	2,772
Deferred tax	(210)	(343)
	<u>1,810</u>	<u>2,430</u>
Effective tax rate	34%	34%

The Group's effective tax rate is higher than the statutory tax rate mainly due to losses incurred by certain subsidiaries.

B6. Status of Corporate Proposals

There were no corporate proposals announced as at the date of issue of this report.

Notes to the Interim Financial Statements - 31 July 2025 (cont'd.)

Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)**B7. Loans and Borrowings and Lease Liabilities**

The Group borrowings are as follows:

	As at 31 July 2025 RM'000	As at 31 January 2025 RM'000
Current		
Secured		
Term loans	23,435	6,126
Obligations under hire purchase	94	95
Lease liabilities	446	532
	<u>23,975</u>	<u>6,753</u>
Unsecured		
Bankers' acceptances	658	2,660
	<u>658</u>	<u>2,660</u>
Total current	<u>24,633</u>	<u>9,413</u>
Non-current		
Secured		
Term loans	30,481	37,236
Obligations under hire purchase	235	280
Lease liabilities	1,223	1,303
	<u>31,939</u>	<u>38,819</u>
Total non-current	<u>31,939</u>	<u>38,819</u>
Bankers' acceptances	658	2,660
Term loans	53,916	43,362
Obligations under hire purchase	329	375
Lease liabilities	1,669	1,835
Total borrowings	<u>56,572</u>	<u>48,232</u>

The effective interest rate for the Group during the year ranges between 5% to 6% per annum. The net carrying amounts of Investment Property and Plant & Machinery of the Group pledged as securities for borrowings are RM16.7 million and RM34.5 million respectively.

B8. Dividend Declared

No dividend has been proposed or declared for the current quarter ended 31 July 2025.

Notes to the Interim Financial Statements - 31 July 2025 (cont'd.)

Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)**B9. Earnings Per Share**

	Current Quarter 31.07.2025	Year To Date 31.07.2025
Profit for the period attributable to owners of the parent (RM'000)	<u>3,520</u>	<u>4,755</u>
a) Basic		
Weighted average no. of shares ('000)	72,776	72,776
Earnings for the period (sen)	<u>4.84</u>	<u>6.53</u>
b) Diluted		
Weighted average no. of shares (000)	72,776	72,776
Earnings for the period (sen)	<u>4.84</u>	<u>6.53</u>

B10. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Group's preceding annual financial statements was not qualified.

B11. Additional Information

The following items are included in the statement of comprehensive income:-

	Current Quarter 31.07.2025 RM'000	Year To Date 31.07.2025 RM'000
Profit before taxation is stated after (crediting)/charging:-		
- Profit from short term investments	(293)	(484)
- Increase in liability for defined benefit plan	231	389
- Interest expense	976	1,602
- Depreciation of property, plant and equipment	3,153	6,171
- Depreciation of investment properties	112	225
- Depreciation of right of use assets	172	279
- Amortisation of development expenditure	104	219
- Unrealised foreign exchange gain	77	187

B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 September 2025.