



VOLCANO BERHAD

Registration No.: 201801004790 (1266804-D)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2025

VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No.: 201801004790 (1266804-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Individual Quarter		Cumulative Period	
	Current	Corresponding	Current	Corresponding
	Quarter	Quarter	Year-To-	Year-To-
	30.9.2025	30.9.2024	Date	Date
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Revenue	24,698	19,096	24,698	19,096
Cost of goods sold	(19,683)	(12,627)	(19,683)	(12,627)
Gross profit	5,015	6,469	5,015	6,469
Other income	194	158	160	158
Administrative and general expenses	(4,407)	(6,093)	(4,373)	(6,093)
Distribution expenses	(322)	(193)	(322)	(193)
Finance costs	(391)	(48)	(391)	(48)
Profit before tax	89	293	89	293
Tax expense	(234)	(195)	(234)	(195)
(Loss)/Profit for the period	(145)	98	(145)	98
Other comprehensive (loss)/income				
Exchange differences on translation	96	(84)	96	(84)
Total comprehensive (loss)/income	(49)	14	(49)	14
(Loss)/Profit attributable to:				
Owners of the Company	(145)	98	(145)	98
Non-controlling interest	-	-	-	-
(Loss)/Profit for the period	(145)	98	(145)	98
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(49)	14	(49)	14
Non-controlling interest	-	-	-	-
Total comprehensive (loss)/income	(49)	14	(49)	14
(Loss)/Earnings per share attributable to owners of the Company:				
Basic (sen)	(0.08)	0.05	(0.08)	0.05
Diluted (sen)	(0.08)	0.05	(0.08)	0.05

Note :

- (1) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of Volcano Berhad ("Company") and its subsidiary companies ("Group") for the financial year ended ("FYE") 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

VOLCANO BERHAD

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Registration No.: 201801004790 (1266804-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

	As at 30.9.2025 (Unaudited) RM'000	As at 30.6.2025 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	90,907	86,588
Intangible assets	320	304
Deferred tax assets	119	123
Prepayments	303	320
TOTAL NON-CURRENT ASSETS	91,649	87,335
CURRENT ASSETS		
Inventories	22,492	22,581
Trade and other receivables	23,410	21,883
Prepayments	1,765	2,242
Current tax assets	136	635
Short-term investment	1,728	521
Cash and short-term deposits	16,597	18,038
TOTAL CURRENT ASSETS	66,128	65,900
TOTAL ASSETS	157,777	153,235
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	93,643	93,643
Other reserves	(65,662)	(65,758)
Retained earnings	75,540	75,685
TOTAL EQUITY	103,521	103,570
NON-CURRENT LIABILITIES		
Loans and borrowings	34,560	30,072
Employee benefits	359	336
Deferred tax liabilities	1,257	1,257
TOTAL NON-CURRENT LIABILITIES	36,176	31,665
CURRENT LIABILITIES		
Trade and other payables	12,885	13,800
Loans and borrowings	5,191	3,832
Derivatives	4	-
Current tax liabilities	-	368
TOTAL CURRENT LIABILITIES	18,080	18,000
TOTAL LIABILITIES	54,256	49,665
TOTAL EQUITY AND LIABILITIES	157,777	153,235
Net assets per share (sen) (2)	57.00	57.02

Notes :

- (1) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's issued share capital of 181,630,000 ordinary shares as at 30 September 2025 and 30 June 2025.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	I----- Attributable to the owners of the Company -----I				
	Share capital RM'000	Exchange reserve RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 July 2024	93,643	1,942	(68,000)	75,821	103,407
Profit for the financial year	-	-	-	1,353	1,353
Other comprehensive loss for the financial year	-	300	-	0	299
Dividends paid on shares	-	-	-	(1,489)	(1,489)
Balance as at 30 June 2025	<u>93,643</u>	<u>2,242</u>	<u>(68,000)</u>	<u>75,685</u>	<u>103,570</u>
Balance as at 1 July 2025	93,643	2,242	(68,000)	75,685	103,570
Loss for the financial year	-	-	-	(145)	(145)
Other comprehensive income for the financial period	-	96	-	-	96
Balance as at 30 September 2025	<u>93,643</u>	<u>2,338</u>	<u>(68,000)</u>	<u>75,540</u>	<u>103,521</u>

Note :

- (1) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Current Year-To-Date Ended 30.9.2025 (Unaudited) RM'000	Corresponding Preceding Year-To-Date Ended 30.9.2024 (Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	89	293
Adjustments for:-		
Amortisation and Depreciation	1,826	1,285
Dividend income	(7)	(16)
Interest income	(40)	(89)
Interest expense	391	48
Employee benefits	22	19
Gain on disposal on property, plant and equipment	(10)	-
Unrealised (gain)/ loss on foreign exchange	(109)	2,423
Net fair value loss on derivatives	4	-
Operating profit before working capital changes	2,166	3,963
Changes in:-		
Inventories	89	(1,630)
Receivables	(910)	(1,086)
Payables	(897)	32
Cash generated from operations	448	1,279
Net income tax paid	(355)	(291)
Net cash from operating activities	93	988
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	40	89
Dividend received	7	-
Proceeds from disposal of property, plant and equipment	15	-
Purchase of property, plant and equipment	(6,018)	(6,355)
Purchase of intangible assets	(41)	(1)
Change in deposits placed with licensed banks	(3)	(60)
Net changes in short-term investment	(1,200)	-
Net cash used in investing activities	(7,200)	(6,327)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	4,604	3,838
Interest paid	(391)	(48)
Net drawdown of trust receipts	2,081	-
Repayment of lease liabilities	(3)	(3)
Repayment of term loans	(799)	(387)
Repayment of hire purchase liabilities	(112)	(134)
Net cash from financing activities	5,380	3,266
Net decrease in cash and cash equivalents	(1,727)	(2,073)
Cash and cash equivalents at the beginning of financial period	15,414	22,914
Effect of exchange rate changes on cash and cash equivalents	283	(814)
Cash and cash equivalents at the end of the financial period	13,970	20,027
Analysis of cash and cash equivalents		
Cash and bank deposits	16,597	22,599
Less : Pledged deposits	(2,627)	(2,572)
	13,970	20,027

Note :

- (1) The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

VOLCANO BERHAD

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation of Financial Statements

This interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This interim financial report should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the FYE 30 June 2025.

The amendment/improvement to the MFRS adopted by the Group with effective from 1 January 2025 is as follows:

MFRS 121 – The Effects of Changes in Foreign Exchange Rates

The adoption of the above MFRS did not have any material impact on the consolidated financial statements of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the FYE 30 June 2025.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factor during the current quarter under review.

A5. Unusual Items

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

A6. Changes in Estimates

There were no changes in estimates that had any material effects on the current quarter under review.

A7. Debt and Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the current quarter under review.

A8. Dividends Paid

No dividend was paid during the current quarter under review.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. Segmental Information

The Group is organised into business units based on their nature of business and has the following operating segments:

- (i) Nameplates; and
- (ii) Plastic injection moulded parts.

3 months period ended 30 September 2025

	Nameplates RM'000	Plastic injection moulded parts RM'000	Total RM'000
Revenue	15,004	9,694	24,698
Results			
EBITDA*	964	1,366	2,330
Interest income	39	1	40
Interest expenses	(168)	(223)	(391)
Depreciation and amortisation	(889)	(937)	(1,826)
Tax expenses	(193)	(41)	(234)
(Loss)/profit after tax	(247)	166	(81)
Holding company			(64)
Miscellaneous expenses			(64)
Total loss after tax			(145)

Note :

* Earnings Before Interest, Tax, Depreciation and Amortisation.

The Group generates revenue from the following geographical locations of customers:

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2025 RM'000	Corresponding Preceding Quarter 30.9.2024 RM'000	Current Year- To-Date 30.9.2025 RM'000	Corresponding Preceding Year-To-Date 30.9.2024 RM'000
Thailand	13,600	8,134	13,600	8,134
Singapore	4,862	6,597	4,862	6,597
United States of America	3,988	2,243	3,988	2,243
Malaysia	1,129	706	1,129	706
Germany	437	627	437	627
Indonesia	399	402	399	402
China	88	150	88	150
Others	195	237	195	237
	24,698	19,096	24,698	19,096

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A10. Related Party Transaction Disclosures

Save as disclosed below, there were no related party transactions during the current quarter under review:

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2025 RM'000	Corresponding Preceding Quarter 30.9.2024 RM'000	Current Year-To-Date 30.9.2025 RM'000	Corresponding Preceding Year-To-Date 30.9.2024 RM'000
Recurrent related party transaction with a company which is controlled by a Director : - rental of marketing space at a monthly rental of RM1,000	3	3	3	3

A11. Valuation of Property, Plant and Equipment

There were no valuation of property, plant and equipment during the current quarter under review.

A12. Capital Commitments

Save as disclosed below, there were no material capital commitments in respect of property, plant and equipment as at the end of the current quarter under review:

	As at 30.9.2025 (Unaudited) RM'000
Approved and contracted for: Purchase of property, plant and equipment Construction of a factory by Volcano Tec (Thailand) Co., Ltd. Renovation of a factory by Volcano Name Plate Sdn. Bhd.	 299 1,483 193
Approved and not contracted for: Purchase of property, plant and equipment	 -

A13. Derivatives Financial Instruments

There were no outstanding derivatives financial instruments entered into by the Group as at the date of this interim financial report save for the forward exchange contracts to hedge our foreign currency exposure against the United States Dollar ("USD") as below:

	Notional Value as at 30.9.2025 RM'000	Fair Value Liability as at 30.9.2025 RM'000
Foreign exchange contracts - Less than 1 year	1,258	4

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

There was no change to the cash requirements of the derivatives, related accounting policies, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year.

A14. Contingent Assets and Liabilities

Save for the corporate guarantees of Thai Baht 289 million (equivalent to approximately RM37.57 million based on the exchange rate of Thai Baht 1.00 to RM0.129997 as at 30 September 2025) and RM17.80 million provided by the Company to two banks for its subsidiaries' banking facilities, there were no contingent assets and contingent liabilities as at the date of this interim financial report.

A15. Changes in Composition of The Group

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

A16. Material Events Subsequent to The End of The Current Quarter

There were no material events subsequent to the end of the current quarter under review.

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

B1. Review of Performance - Comparison with Corresponding Preceding Quarter and Cumulative Period

	Individual Quarter				Cumulative Period			
			Corresponding				Corresponding	
	Current	Preceding			Current	Preceding		
	Quarter	Quarter			Year-To-	Year-To-		
	30.9.2025	30.9.2024			Date	Date		
	(Unaudited)	(Unaudited)	Variance		30.9.2025	30.9.2024	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	24,698	19,096	5,602	29.34	24,698	19,096	5,602	29.34
Profit before tax	89	293	(204)	(69.62)	89	293	(204)	(69.62)
(Loss)/Profit for the period	(145)	98	(243)	(247.96)	(145)	98	(243)	(247.96)
(Loss)/Profit attributable to the owners of the Company	(145)	98	(243)	(247.96)	(145)	98	(243)	(247.96)

The Group's revenue for the current quarter increased by approximately RM5.60 million or approximately 29.34% to approximately RM24.70 million from approximately RM19.10 million in the corresponding quarter of preceding financial period. The nameplates segment and the plastic injection moulded parts segment contributed revenue of approximately RM15.00 million (60.73% of the Group's total revenue) and approximately RM9.70 million (39.27% of the Group's total revenue) respectively for the current quarter under review.

Despite the increase in revenue, the Group recorded a loss after tax of approximately RM0.15 million in the current quarter, compared to a profit after tax of approximately RM0.098 million in the corresponding quarter of preceding financial period. This was mainly due to a higher sales mix towards low-margin products and an increase in overhead costs, including interest expenses, amortisation and depreciation following the commissioning of the second factory in Thailand.

B2. Performance Review – Comparison with Immediate Preceding Quarter

	Immediate			
	Current	Preceding		
	Quarter	Quarter		
	30.9.2025	30.6.2025		
	(Unaudited)	(Unaudited)	Variance	
	RM'000	RM'000	RM'000	%
Revenue	24,698	21,833	2,865	13.12
Profit/(Loss) before tax	89	(968)	1,057	109.19
Loss for the period	(145)	(1,660)	1,515	91.27
Loss attributable to the owners of the Company	(145)	(1,660)	1,515	91.27

The Group's revenue for the current quarter increased by approximately RM2.87 million or approximately 13.12% to approximately RM24.70 million from approximately RM21.83 million in the previous quarter.

The Group recorded a lower loss after tax of RM0.15 million in the current quarter, an improvement of approximately RM1.52 million or approximately 91.27% as compared to the loss after tax of approximately RM1.66 million in the previous quarter. It was mainly due to a higher unrealised loss on foreign exchange of approximately RM0.80 million incurred in the previous quarter.

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

B3. Commentary on Prospects

The sales demand for the nameplates segment and the plastic injection moulded parts segment is expected to be challenging amid the rising global economic concerns over the reciprocal tariffs from the United States of America, inflation and softening demand from our products' end-user industries. Barring any unforeseen circumstances such as disruption to the supply chain, material fluctuations on foreign currency exchange rates and potential economic slowdown, we are of the opinion that our Group's financial results for the financial year ending 30 June 2026 will remain favourable.

B4. Profit Forecast

Not applicable ("N/A").

B5. Tax Expense

	Current Quarter 30.9.2025 RM'000	Current Year -To-Date 30.9.2025 RM'000
Income tax	234	234
Deferred tax	-	-
Total tax expense	234	234
Effective tax rate (%)	263	263

The effective tax rate of the Group for the current year-to-date was higher than the statutory tax rates of 20% for Thailand and 24% for Malaysia. This was mainly due to losses recorded by the holding company and certain of its subsidiaries.

B6. Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this interim financial report.

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

B7. Trade and Other Receivables

The Group grants credit on various terms. Trade receivables disclosed below include amounts that are past due at the end of the reporting period but have not been recognised as receivables subject to impairment as there has not been a significant change in credit quality and are still considered recoverable by the management.

	As at 30.9.2025 (Unaudited) RM'000	As at 30.6.2025 (Audited) RM'000
Trade receivables	20,319	19,129
Less : Allowance for impairment	-	-
	20,319	19,129
Other receivables	3,091	2,754
Total	23,410	21,883
<u>Ageing analysis of trade receivables</u>		
Neither past due nor impaired	16,930	17,074
1 – 30 days	3,049	1,842
31 – 60 days	261	159
61 – 90 days	39	34
91 – 120 days	27	4
More than 120 days	13	16
	20,319	19,129
Less : Allowance for impairment	-	-
Total	20,319	19,129

B8. Borrowings

	As at 30.9.2025 (Unaudited) RM'000	As at 30.6.2025 (Audited) RM'000
Secured:		
Loans and borrowings	38,163	32,177
Hire purchase liabilities	1,588	1,727
	39,751	33,904
Disclosed as:		
Current liabilities	5,191	3,832
Non-current liabilities	34,560	30,072
	39,751	33,904
Currency profile:		
RM	7,939	3,415
Thai Baht	31,812	30,489

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

The secured loans and borrowings are secured against the land bearing title deed no. 15241, Tambol Mabyangporn, Amphur Pluakdaeng, Rayong, Thailand owned by Volcano Tec (Thailand) Co. Ltd. (a wholly-owned subsidiary of the Company) with buildings erected thereon, the land bearing title deed no. Lot 5999 (PN 7074), Mukim 11, District of Seberang Perai Tengah, Pulau Pinang owned by Volcano Name Plate Sdn Bhd (a wholly-owned subsidiary of the Company) with buildings erected thereon, pledged deposits and corporate guarantees by the Company. The effective interest rate of the borrowings ranged from 2.35% to 5.00% per annum (30 June 2025 : 2.35% to 5.00% per annum).

B9. Changes in Material Litigation

There is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board of Directors of the Company is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B10. Dividend

No dividend was declared or recommended for payment during the current quarter under review.

On 8 October 2025, the Board approved a final dividend of 0.20 sen per ordinary share in respect of the FYE 30 June 2025. This final dividend was approved by the shareholders at the seventh Annual General Meeting of the Company on 19 November 2025 and will be recognised in the financial statements of the Group for the financial year ending 30 June 2026.

B11. Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the current quarter and current year-to-date under review.

B12. Earnings Per Share ("EPS")/Loss Per Share ("LPS")

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2025	Corresponding Preceding Quarter 30.9.2024	Current Year-To-Date 30.9.2025	Corresponding Preceding Year-To-Date 30.9.2024
(Loss)/Profit attributable to owners of the Company (RM'000)	(145)	98	(145)	98
Weighted average number of ordinary shares in issue ('000)	181,630	181,630	181,630	181,630
Basic (LPS)/EPS (sen) ⁽¹⁾	(0.08)	0.05	(0.08)	0.05
Diluted (LPS)/EPS (sen) ⁽²⁾	(0.08)	0.05	(0.08)	0.05

Notes :

- (1) Basic LPS/EPS is calculated by dividing loss/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.
- (2) Diluted LPS/EPS is equivalent to the basic LPS/EPS as the Company did not have dilutive potential ordinary shares during the current quarter under review.

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

B13. Notes to the (Loss)/Profit Before Tax

Profit before tax is arrived at after charging/ (crediting):

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2025 RM'000	Corresponding Preceding Quarter 30.9.2024 RM'000	Current Year To-date 30.9.2025 RM'000	Corresponding Preceding Year-To-date 30.9.2024 RM'000
Interest expenses	391	48	391	48
Interest income	(40)	(89)	(40)	(89)
Dividend income	(7)	(16)	(7)	(16)
Amortisation and depreciation	1,826	1,285	1,826	1,285
Gain on disposal of property, plant and equipment	(10)	-	(10)	-
(Gain)/Loss on foreign exchange:				
- realised	147	(40)	147	(40)
- unrealised	(109)	2,423	(109)	2,423
Fair value loss on derivatives	4	-	4	-

There was no provision for and write off of receivables, write off of property, plant and equipment, written down of inventories and other exception items for the financial period under review.

By Order of the Board
19 November 2025