



**ECOSCIENCE INTERNATIONAL BERHAD**

Registration No. 202001024633 (1380953-M)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025<sup>(1)</sup>**

	Individual Quarter		Cumulative Quarter	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Current Year Quarter 31.12.2025 RM'000	Preceding Year Quarter 31.12.2024 RM'000	Current Year-To-Date 31.12.2025 RM'000	Preceding Year-To-Date 31.12.2024 RM'000
Revenue	44,157	42,201	134,355	144,314
Cost of sales	(35,569)	(41,735)	(116,146)	(150,624)
<b>Gross profit/(loss)</b>	<b>8,588</b>	<b>466</b>	<b>18,209</b>	<b>(6,310)</b>
Other income	(351)	1,200	3,000	843
Administrative expenses	(3,086)	(3,015)	(11,892)	(13,917)
Other operating (expenses)/income (Net impairment losses)/Reversal on impairment losses	(1,185) (774)	(962) 1,038	(3,215) (774)	(3,349) (1,530)
Finance costs	(804)	(1,030)	(3,909)	(3,682)
<b>Profit/(Loss) before tax</b>	<b>2,388</b>	<b>(2,303)</b>	<b>1,419</b>	<b>(27,945)</b>
Tax income/(expense)	1	(1,064)	-	833
<b>Profit/(Loss) after tax</b>	<b>2,389</b>	<b>(3,367)</b>	<b>1,419</b>	<b>(27,112)</b>
Other comprehensive (loss)/income <sup>(2)</sup>	(474)	167	(58)	(1,000)
<b>Total comprehensive income/(loss)</b>	<b>1,915</b>	<b>(3,200)</b>	<b>1,361</b>	<b>(28,112)</b>
<b>Profit/(Loss) after tax attributable to:</b>				
- Owners of the Company	2,389	(3,367)	1,419	(27,112)
	<b>2,389</b>	<b>(3,367)</b>	<b>1,419</b>	<b>(27,112)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
- Owners of the Company	1,915	(3,200)	1,361	(28,112)
	<b>1,915</b>	<b>(3,200)</b>	<b>1,361</b>	<b>(28,112)</b>
<b>Attributable to equity holders of the company<sup>(3)</sup>:</b>				
- Basic profit/(loss) per share (sen)	0.64	(0.90)	0.38	(7.25)
- Diluted profit/(loss) per share (sen)	0.64	(0.90)	0.38	(7.25)

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Being the foreign currency translation differences which will be reclassified subsequently to the profit or loss.
- (3) Profit/(Loss) per share is calculated based on the profit/loss after tax attributable to owners of the Company for the financial period divided by the Company's weighted average number of ordinary shares in issue referred to in Note B11.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025<sup>(1)</sup>**

	(Unaudited) As at 31.12.2025 RM'000	(Audited) As at 31.12.2024 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	22,096	22,486
Other investments	6,212	4,500
	<u>28,308</u>	<u>26,986</u>
<b>Current assets</b>		
Inventories	11,629	7,993
Trade receivables	32,594	22,058
Other receivables, deposits and prepayments	5,360	5,113
Contract assets	65,994	62,117
Current tax assets	4,187	3,496
Short-term investment	51	49
Fixed deposits with licensed banks	16,145	17,447
Cash and bank balances	529	5,717
	<u>136,489</u>	<u>123,990</u>
<b>TOTAL ASSETS</b>	<u>164,797</u>	<u>150,976</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	87,231	87,231
Foreign exchange translation reserve	(501)	(443)
Merger deficit	(45,146)	(45,209)
Retained profits	8,092	6,736
<b>TOTAL EQUITY</b>	<u>49,676</u>	<u>48,315</u>
<b>Non-current liabilities</b>		
Hire purchase payables	461	399
Term loans	6,931	8,632
Deferred tax liabilities	1,139	566
	<u>8,531</u>	<u>9,597</u>
<b>Current liabilities</b>		
Trade payables	25,704	30,704
Other payables and accruals	9,189	2,648
Provisions	7,186	995
Contract liabilities	6,762	3,412
Hire purchase payables	282	229
Term loans	1,504	1,569
Short-term borrowings	41,399	40,766
Bank overdrafts	14,543	12,727
Current tax liabilities	21	14
	<u>106,590</u>	<u>93,064</u>
<b>TOTAL LIABILITIES</b>	<u>115,121</u>	<u>102,661</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>164,797</u>	<u>150,976</u>
Number of ordinary shares ('000)	<b>374,000</b>	<b>374,000</b>
Net assets per ordinary share (RM) <sup>(2)</sup>	0.13	0.13

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on net assets divided by the Company's issued share capital as at 31 December 2025 of 374,000,000 shares (31 December 2024: 374,000,000 shares).

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FORTH QUARTER ENDED 31 DECEMBER 2025 <sup>(1)</sup>**

	<u>Non-Distributable</u>			<u>Distributable</u>	<b>Total Equity</b> <b>RM'000</b>
	<b>Share Capital</b> <b>RM'000</b>	<b>Merger Deficit</b> <b>RM'000</b>	<b>Foreign Exchange Translation Reserve</b> <b>RM'000</b>	<b>Retained Profits</b> <b>RM'000</b>	
<u>Audited</u>					
As at 1 January 2024	87,231	(45,209)	557	33,848	76,427
Loss after tax for the financial period	-	-	-	(27,112)	(27,112)
Other comprehensive loss for the financial period	-	-	(1,000)	-	(1,000)
Total comprehensive loss for the financial period	-	-	(1,000)	(27,112)	(28,112)
<b>Balance as at 31 December 2024</b>	<b>87,231</b>	<b>(45,209)</b>	<b>(443)</b>	<b>6,736</b>	<b>48,315</b>

	<u>Non-Distributable</u>			<u>Distributable</u>	<b>Total Equity</b> <b>RM'000</b>
	<b>Share Capital</b> <b>RM'000</b>	<b>Merger Deficit</b> <b>RM'000</b>	<b>Foreign Exchange Translation Reserve</b> <b>RM'000</b>	<b>Retained Profits</b> <b>RM'000</b>	
<u>Unaudited</u>					
As at 1 January 2025	87,231	(45,209)	(443)	6,736	48,315
Profit after tax for the financial period	-	-	-	1,419	1,419
Transfer upon strike off of subsidiary	-	63	-	(63)	-
Other comprehensive income for the financial period	-	-	(58)	-	(58)
Total comprehensive loss for the financial period	-	63	(58)	1,356	1,361
<b>Balance as at 31 December 2025</b>	<b>87,231</b>	<b>(45,146)</b>	<b>(501)</b>	<b>8,092</b>	<b>49,676</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup>**

	(Unaudited)	(Audited)
	Current	Preceding
	Year-To-Date	Corresponding
	31.12.2025	Year-To-Date
	RM'000	31.12.2024
		RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	1,419	(27,945)
Adjustments for:		
Bad debts written off	-	7
Depreciation of property, plant and equipment	1,433	1,332
Fair value loss on other investments	327	452
Fair value gain on short term investment	-	(7)
Impairment loss on contract assets	447	2,117
Impairment loss on trade receivables	330	-
Gain on disposal of property, plant and equipment	(48)	-
Interest expenses	3,654	3,208
Interest income	(475)	(316)
(Reversal)/Provision for obsolete inventories	(142)	648
Property, plant and equipment written off	-	4
Provision for onerous contract	876	341
Reversal of impairment loss on trade receivables	-	(586)
Reversal of provision of liquidated ascertained damages	5,335	(157)
Unrealised loss on foreign exchange	793	2,647
Operating profit/(loss) before working capital changes	13,949	(18,255)
(Increase)/Decrease in inventories	(3,494)	15,402
Increase in contract assets	(4,318)	(17,226)
(Increase)/Decrease in trade and other receivables	(11,264)	11,737
Increase/(Decrease) in contract liabilities	3,344	(6,157)
Increase in trade and other payables	700	5,953
<b>CASH FLOWS FOR OPERATIONS</b>	(1,056)	(8,546)
Tax paid	(339)	(467)
Tax refunded	258	1,392
<b>NET CASH FLOWS FOR OPERATING ACTIVITIES</b>	<b>(1,137)</b>	<b>(7,621)</b>
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>		
Interest received	475	316
Purchase of property, plant and equipment	(623)	(1,414)
Purchase of other investment	(1,888)	(3,333)
Withdrawal of short-term investment	-	5,098
Withdrawal of fixed deposits pledged with licensed banks	1,302	-
<b>NET CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>	<b>(549)</b>	<b>667</b>
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>		
Withdrawal of fixed deposits pledged with licensed banks	-	6,225
Drawdown of short-term borrowings	138,314	98,062
Drawdown of term loans	-	13,767
Interest paid	(3,654)	(3,208)
Repayment of short-term borrowings	(137,680)	(93,163)
Repayment of hire purchase obligation	(380)	(250)
Repayment of term loans	(1,746)	(11,852)
<b>NET CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>	<b>(5,146)</b>	<b>9,581</b>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

	(Unaudited)	(Audited)
	Current	Preceding
	Year-To-Date	Corresponding
	31.12.2025	Year-To-Date
	RM'000	31.12.2024
	RM'000	RM'000
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(6,832)	2,627
EFFECT OF FOREIGN EXCHANGE TRANSLATION RESERVE	(172)	(891)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	(7,010)	(8,746)
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>(14,014)</b>	<b>(7,010)</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A1 Basis of Preparation**

The interim financial report of Ecoscience International Berhad (“**Ecoscience**” or the “**Company**”) and its subsidiaries (the “**Group**”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRS**”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the Company’s Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**A2 Significant Accounting Policies**

Save as disclosed below, the significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted in the Group’s audited consolidated financial statements for the financial year ended 31 December 2024.

- i. During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

**MFRSs (Including the Consequential Amendments)**

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

**A2 Significant Accounting Policies (cont'd)**

- ii. The Group has not applied in advance any accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the current financial period.

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

**A3 Auditors' Report of Preceding Annual Financial Statements**

The audited financial statements of the Group for the financial year ended ("FYE") 31 December 2024 were not subject to any qualification.

**A4 Seasonal or Cyclical Factors**

The nature of the Group's business was not subject to any significant seasonal and cyclical factors.

**A5 Exceptional Items**

There were no material exceptional items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6 Material Changes in Accounting Estimates**

There were no material changes in estimates during the current financial quarter under review.

**A7 Debt and Equity Securities**

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter under review, except as disclosed in Notes B8 and B9.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**A8 Dividend Paid**

There were no dividends paid during the current financial quarter under review.

**A9 Segmental Reporting**

The Group's revenue is organised into the 3 main reportable segments as follows:-

- Construction of Plants and Facilities Segment
- Fabrication of Equipment Segment
- Supply of Materials and Equipment Segment
- Other Activities Segment

The segmental analysis of Group's revenue is set out as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2025 RM'000	(Unaudited) 31.12.2024 RM'000	(Unaudited) 31.12.2025 RM'000	(Audited) 31.12.2024 RM'000
Construction of Plants and Facilities	38,457	38,310	115,324	93,625
Fabrication of Equipment	5,244	679	12,855	44,161
Supply of Materials and Equipment	447	3,204	5,646	5,857
Other Activities	8	8	529	671
<b>Total</b>	<b>44,157</b>	<b>42,201</b>	<b>134,355</b>	<b>144,314</b>

The Group's revenue by geographical location which the customers are located is set out as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 31.12.2025 RM'000	(Unaudited) 31.12.2024 RM'000	(Unaudited) 31.12.2025 RM'000	(Audited) 31.12.2024 RM'000
Malaysia	35,744	9,008	99,417	74,243
Gabon	8,413	32,613	34,800	46,800
Indonesia	-	493	138	21,941
Others	-	87	-	1,330
<b>Total</b>	<b>44,157</b>	<b>42,201</b>	<b>134,355</b>	<b>144,314</b>

**A10 Valuation of Property, Plant and Equipment**

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

**A11 Capital Commitments**

There are no capital commitments to the end of the current financial quarter under review that have not been reflected in this interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025****A12 Material Subsequent Event**

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

**A13 Changes in the Composition of the Group**

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

**A14 Contingent Liabilities**

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As at</b>	<b>As at</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Performance guarantees	7,451	8,262

**A15 Significant Related Party Transactions**

There were no related party transactions in the current financial quarter under review.

**PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Performance Review**

**(a) Results for Current Quarter**

	Individual Quarter		Changes	
	Unaudited Current Year Quarter 31.12.2025 RM'000	Unaudited Preceding Year Quarter 31.12.2024 RM'000	RM'000	%
Revenue	44,157	42,201	1,956	4.63%
Profit/(Loss) before tax	2,388	(2,303)	4,691	203.69%

The Group's revenue increase by RM1.96 million or approximately 4.63% to RM44.16 million in the current financial quarter ended 31 December 2025 as compared to the preceding year corresponding quarter. The increase in revenue was mainly due to the increase in the number of construction of plants and facilities projects which lead to higher progressive claims during the period.

The increase in the Group's revenue in the current financial quarter ended 31 December 2025 was mainly attributable to the increase in revenue from Malaysia (by RM26.74 million) as a result of higher progressive claims during the current financial quarter. However, the increase was partly offset by the decrease in revenue from Gabon (by RM24.20 million) as a result of slower progress.

The Group recorded a profit before tax of RM2.39 million for the current financial quarter under review as compared to a loss before tax of RM2.30 million for the preceding year's corresponding quarter which was mainly attributable to increase in gross profit by RM8.12 million due to the increase in the number of construction of plants and facilities projects and cost monitoring effort during the current quarter.

**B1 Performance Review (Con't)**

**(b) Results for Financial Year-To-Date**

	Cumulative Quarter		Changes	
	Unaudited	Audited		
	Current Quarter	Preceding Quarter		
	31.12.2025	31.12.2024	RM'000	%
Revenue	134,355	144,314	(9,959)	(6.90%)
Profit/(Loss) before tax	1,419	(27,945)	29,790	105.08%

The Group's revenue for the current financial year-to-date ended 31 December 2025 decreased by RM9.96 million, representing a decrease of approximately 6.90% to RM134.36 million as compared to the revenue of RM144.31 million in the preceding year-to-date. The decrease in revenue was mainly attributable to the lower number of construction of plants and facilities projects which lead to lower project progressive claims during the current financial year-to-date.

The Group's profit before tax for the current financial year-to-date under review has increase by RM29.79 million compared to a loss before tax of RM27.95 million in the immediate preceding year-to-date, which was mainly attributable to increase in gross profit by RM24.52 million mainly due to cost monitoring effort, reduction in cost incurred to complete projects and enhanced efficiency in project during the current financial year-to-date.

The Group recorded a profit before tax of RM1.84 million for the current financial year-to-date ended 31 December 2025 as compared to a loss before tax of RM27.95 million for the preceding year-to-date ended 31 December 2024, mainly attributable to the following:

- (i) gross profit increased by RM24.52 million from gross loss of RM6.31 million to gross profit of RM18.21 million mainly due to the increase in cost monitoring activities and higher project revenue from Malaysia (by RM25.17 million) during the current quarter; of which the impact was partly offset by lower project revenue in Indonesia (by RM21.80 million), and;
- (ii) other income increased due to foreign exchange gains resulting from the strengthening of Ringgit.

The above was partly offset by the increase in finance costs during the current financial year-to-date ended 31 December 2025 mainly attributable to the one-off bank charges for the bank guarantee in previous year-to-date financial year.

**B2 Comparison with Immediate Preceding Quarter's Results**

	Individual Quarter		Changes	
	Unaudited	Unaudited	RM'000	%
	Current Quarter	Preceding Quarter		
	31.12.2025	30.09.2025		
	RM'000	RM'000		
Revenue	44,157	33,292	10,865	32.64%
Profit before tax	2,388	5,347	(2,959)	(55.34%)

The Group's revenue for the current financial quarter ended 31 December 2025 increased by RM10.87 million, approximately 32.64% to RM44.16 million compared to the revenue of RM33.29 million in the preceding quarter. The increase in revenue was mainly attributable to the construction of plant and facilities projects with higher progressive claims during the current financial quarter.

However, the Group's profit before tax decreased by RM2.96 million, from RM5.35 million in the preceding quarter to RM2.39 million in the current quarter. The decline in profit before tax was mainly attributable to higher project costs and lower profit margins incurred during the quarter, including increased material and subcontractor costs, as well as cost adjustments and provisions recognised for certain ongoing projects, despite continued cost monitoring efforts.

**B3 Prospects and Outlook for the Current Financial Year**

The Group's prospects remain positive, underpinned by stable global demand for palm-based products and sustained investment activity across the palm oil value chain. The resilient demand continues to drive the need for new processing capacity, mill modernisation and efficiency-enhancing technologies.

Industry conditions in key producing countries further support long-term engineering and environmental investment. Given these trends, the Group expects sustained demand for its engineering, fabrication, and environmental technology solutions across regional markets.

The Group remains cautiously optimistic regarding its performance for 2026. Although crude palm oil (CPO) prices are expected to maintain due to normalised supply and favourable weather conditions, price levels remain conducive for capital expenditure on mill upgrades, environmental improvements, and supporting facility construction.

The Group's planned establishment of a physical presence in Indonesia positions it to capture opportunities in the world's largest palm oil market. Indonesia and Malaysia, being the largest global palm oil markets, underscoring the long-term relevance of the Group's core engineering competencies within the region. The Group expects this expanded footprint to enhance its competitiveness in securing new construction, upgrading, and environmental compliance projects.

The Group anticipates some margin pressure due to ongoing execution of legacy low-margin projects. However, margins are expected to improve, particularly in environmental engineering when enter implementation.

The Group will continue to focus on strengthening its order book through active tendering, expanding its customer base, and capturing emerging opportunities in sustainable agriculture, waste-to-energy, and mill energy-efficiency upgrades. With stable demand fundamentals, tightening environmental regulations, and enhanced regional presence, the Group is well-positioned to deliver improved operational performance and support long-term shareholder value creation in 2026 and beyond.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**B4 Variance of Actual Profit from Forecast Profit**

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

**B5 Tax Expense/(Income)**

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Audited 31.12.2024 RM'000
Current tax expense / (income):				
- Current financial period	(1)	-	-	11
- Under provision in prior period	-	-	-	(205)
	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(194)</u>
Deferred tax expenses / (income):				
- Relating to origination and reversal of temporary differences	-	1,064	-	(635)
- Under/(Over) provision in prior period	-	-	-	(4)
Total tax expense / (income)	<u>(1)</u>	<u>1,064</u>	<u>-</u>	<u>(833)</u>

The Group's effective tax rates for the current fourth quarter ended 31 December 2025 is lower than the statutory tax rate of 24% mainly due to utilisation of unutilised business loss recorded.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**B6 Status of Corporate Proposals**

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

**B7 Utilisation of Proceeds**

**Initial Public Offering (“IPO”)**

The gross proceeds from the IPO which was completed on 18 July 2022 amounting to approximately RM24.7 million and the status of utilisation of proceeds as at 31 December 2025 is as follows:

Details of Use of Proceeds	Proposed Utilisation	%	Actual Utilisation	Balance to be utilised	Estimated Timeframe for Utilisation Upon Listing <sup>(1)</sup>
	RM'000		RM'000	RM'000	
Business expansion	1,500	6	1,183	317	Within 48 months <sup>(2)(3)</sup>
Working capital	7,851	32	7,851	-	Within 12 months
Repayment of bank borrowings	11,500	47	11,500	-	Within 12 months <sup>(3)</sup>
Estimated listing expenses	3,800	15	3,800	-	Within 1 month
<b>Total</b>	<b>24,651</b>	<b>100</b>	<b>24,334</b>	<b>317</b>	

**Notes:**

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities. The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 21 June 2022 and the announcement for the extension of the timeframe for the utilisation of IPO proceeds dated 17 May 2024.
- (2) On 17 May 2024, the Company announced the extension of timeframe for the utilisation of IPO proceeds allocated for business expansion from within 24 months to within 48 months.
- (3) On 7 March 2025, the Company announced the variation for the use of RM4.50 million from the IPO proceeds (“**Variation**”) which was earmarked for business expansion to repayment of bank borrowings.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**B8 Group's Borrowings**

The Group's borrowings are as follows:

	(Unaudited) As At 31.12.2025 RM'000	(Audited) As At 31.12.2024 RM'000
<b>Non-current liabilities:</b>		
Hire purchase payables	461	399
Term loans	6,931	8,632
	<u>7,392</u>	<u>9,031</u>
<b>Current liabilities:</b>		
Short-term borrowings <sup>(1)</sup>	41,399	40,766
Hire purchase payables	282	229
Term loans	1,504	1,569
Bank overdraft	14,543	12,727
	<u>57,728</u>	<u>55,291</u>
<b>Total borrowings</b>	<b><u>65,120</u></b>	<b><u>64,322</u></b>

The borrowings are secured and denominated in Ringgit Malaysia, except for a term loan of RM2,100,192 (31 December 2024: RM2,226,876) which is denominated in Singapore Dollar.

**Note:**

- (1) Short-term borrowings consist of bankers' acceptances, revolving credits, and invoice financing.

**B9 Financial Instruments – Derivatives**

There were no derivative financial instruments involving the Group as at the date of this interim financial report.

**B10 Material Litigation**

Save as disclosed below, the Group is not involved in any material litigation as at the date of this report.

**(i) Ecoscience Manufacturing & Engineering Sdn Bhd vs RDS Marketing Malaysia Sdn. Bhd.**

The Company's wholly-owned subsidiary, EMESB, had on 5 January 2024 served a Writ of Summons and Statement of Claim to RDS Marketing Malaysia Sdn. Bhd. ("**RDS**") in the Court via Suit No. BA-22NCvC-6-01/2024 ("**Suit**").

EMESB's claim against the RDS pertains to the alleged payment default in relation to the promise of RDS to pay EMESB the remaining sum of RM2,377,844.15 being the completion of project known as "Cadangan Membina Sebuah Kilang 1 Tingkat, Sebuah Gudang 1 Tingkat, Sebuah Pejabat 2 Tingkat, Sebuah Bangunan Tandas 1 Tingkat, 2 Unit Pencawang Elektrik, 1 Unit Kebuk Sampah dan 2 Unit Pondok Pengawal di atas Lot 46554 (PT12618), Persiaran Bandar Sri Sendayan, Kawasan Perindustrian Sendayan, Techvalley, Bandar Sri Sendayan, Negeri Sembilan Khusus untuk Tetuan GoodGloves Industries Sdn. Bhd." (the "**Project**"). The total contract sum for the Project was RM4,395,784.15 and the balance amount of RM2,377,844.15 remains due and owing to EMESB since May 2022. The above Suit was fixed for case management via online (*e-Review*) on 7 February 2024.

On 7 February 2024, EMESB served a Notice of Application for Summary Judgment ("**Application**") to RDS in the Court in respect of the Suit. The Application was fixed for case management via online (*e-Review*) on 1 March 2024. The Court allowed RDS's application for an extension of time to file and serve their defence on or before 23 February 2024 and EMESB was directed to file the reply to defence by 8 March 2024. The next case management via online (*e-Review*) was scheduled on 1 March 2024 for the RDS to update the Court on the status of the defence.

On 26 February 2024, EMESB served the Statement of Defence & Counterclaim and Affidavit in Reply in respect of the Application. RDS denied some of EMESB's claims and counterclaimed against EMESB for the following:

(a) EMESB to pay RDS in the sum of RM397,660.99 as summarised below:

<b>No.</b>	<b>Particulars of Services at the request of EMESB</b>	<b>Amount (RM)</b>
1.	Supply of surveyor services	44,250.00
2.	Supply of crusher run	86,407.49
3.	Supply of Covid-19 RTK Antigens Test	5,170.00
4.	Installation of Fencing and Single Leaf Swing Gate at the project site	261,833.50
<b>Total</b>		<b>397,660.99</b>

(b) Interest at the rate of 5% per annum on the judgement sum or such sums awarded by the Court from the date of Counterclaim to the date of realisation of the judgment;

(c) Costs; and

(d) Such further or other relief that the Court deems fit, just and proper in the circumstances be granted.

On 1 March 2024 in respect of the EMESB's claim against RDS for the Writ and Summary Judgment in respect of the Suit, the Court allowed EMESB's application for an extension of time to file the Reply and Defence to Counterclaim and Affidavit in Reply for Summary Judgment until 18 March 2024.

On 15 March 2024, EMESB served the Reply and Defence to Counterclaim to RDS.

On 18 March 2024, EMESB served the Affidavit in Reply and Additional Affidavit in Reply in relation to the Summary Judgment to RDS in the Court in respect of the Suit.

On 25 March 2024 in relation to the Writ and Summary Judgment, RDS requested for leave to file a further Affidavit in Reply, which the Court allowed and RDS was required to file and serve the Affidavit in Reply by 5 April 2024. EMESB had also been given leave to file a final Affidavit in Reply thereto within 2 weeks from the receipt of RDS's Affidavit in Reply. The Court scheduled the next case management via online (e-Review) on 19 April 2024 for EMESB and RDS to update the Court on the status of the Affidavits in Reply.

On 5 April 2024, RDS served a further Affidavit in Reply in respect of the Summary Judgment. On 19 April 2024, EMESB served the Affidavit in Reply in relation to the Summary Judgment to RDS in respect of the Suit. In respect of the application to enter Summary Judgment against RDS, the Court directed EMESB and RDS to file their Written Submissions simultaneously on or before 14 May 2024 and the Submission in Reply simultaneously on or before 28 May 2024, since the filing of Affidavit in respect of the Application was exhausted. The Application was fixed for Hearing before the High Court Judge via Zoom on 4 June 2024.

On 25 April 2024, the Court rescheduled the Hearing date for the Summary Judgment Application before the High Court Judge on 20 June 2024. The said Hearing will be conducted via Zoom. The directions in respect of the filing of written submissions were maintained.

On 14 May 2024, EMESB served a copy of the Written Submissions dated 14 May 2024 and the Bundle of Authorities in respect of the Summary Judgment Application to RDS's solicitor. The Case Management in respect of the said application is scheduled on 20 June 2024.

On 31 May 2024, EMESB served a copy of the Submissions in Reply dated 31 May 2024 and the EMESB's Bundle of Authorities Vol. 2 to the RDS's solicitor in respect of the Summary Judgment Application.

On 20 June 2024, the case was vacated as the Honourable Judge was medically indisposed. The Court fixed a Case Management date on 19 July 2024 in order to fix a new Hearing date for the Summary Judgment Application.

On 19 July 2024, the Summary Judgment application was fixed for Hearing on 19 September 2024 via Zoom. The Court also fixed the Case Management in respect of the Writ of Summons on the same date.

On 18 September 2024, the Summary Judgment application and the Case Management of the Writ of Summons which was scheduled on 19 September 2024 has been postponed as the Hon. Judge is currently on medical leave. The court has fixed the new Hearing and Case Management before the Hon. Judge on 2 December 2024 at 9.30a.m. via Zoom.

On 3 December 2024, the Summary Judgement application and the Case Management of the Writ of Summons which was scheduled on 2 December 2024 has been vacated. The court has fixed the new Hearing date for the Summary Judgment together with the Case Management on 16 January 2025 at 9.30 a.m. via Zoom.

On 16 January 2025, the Summary Judgment application and the Case Management of the Writ of Summons which was scheduled on 16 January 2025 has been vacated. The Court has fixed the new Hearing date for the Summary Judgment together with the Case Management on 20 February 2025.

On 20 February 2025, the Summary Judgement application and the Case Management of the Writ of Summons which was scheduled on 20 February 2025 has been vacated as the Hon. Judge is on medical leave. The Court has fixed the new Hearing date for the Summary Judgment together with the Case Management on 20 March 2025 at 10.00 a.m., by way of Physical Hearing.

On 20 March 2025, the Summary Judgment was heard on 20 March 2025 before the Hon. Judge Puan Zaharah Binti Hussain by way of physical hearing. Upon hearing the oral submissions by the counsel of both the Plaintiff and Defendant, the Court has fixed the matter for Decision on 29 April 2025 at 9.00 a.m., by way of Zoom.

On 29 April 2025, the Summary Judgment Application, which was previously fixed on 29th April 2025 has been adjourned to 13th May 2025 at 9:00a.m., by way of Zoom.

On 13 May 2025, Summary Judgment Application, which was previously fixed on 13th May 2025 has been adjourned to 15th May 2025 at 9:15 a.m., by way of Zoom.

On 15 May 2025, Summary Judgment application and entered judgment in favour of the Company against RDS Marketing Malaysia Sdn Bhd for a sum of RM2,377,844.15 together with interest at 5% per annum from 20 May 2022 until the date of full and final settlement, and costs of RM2,000.00 subject to allocator fees.

On 29 May 2025, RDS Marketing Malaysia Sdn Bhd, has filed an appeal to the Court of Appeal against the Decision dated 15 May 2025 in respect of the Summary Judgment. A Case Management has been fixed on 17 December 2025 via e-Review.

On 17 December 2025, the Appellant's solicitor informed the Court that they have yet to receive the Grounds of Judgement despite having written several times to the High Court, and further informed that YA Puan Zaharah binti Hussain has been transferred to the Klang High Court. The appellant's solicitors accordingly requested that a further Case Management date be fixed to allow time to obtain the Grounds of Judgement.

On 12 February 2026, in respect of the Defendant's Counterclaim before the Hon. Judge Datuk Donald Joseph Franklin. Our solicitor informed the Court that the Defendant had only served the draft Agreed Facts and Agreed issues to be Tried on 6 February 2026. The next Case Management has been fixed on 8 April 2026 for parties to update the Court on the status of filing of the said pre-trial documents and for further directions.

The Court has fixed the next Case Management date on 25 February 2026 at 9:00am via e-Review for the Appellant to update the Court on the status of the filing of the Additional Record of Appeal, inclusive of the Grounds of Judgement.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**B11 Profit/(Loss) Per Share**

The loss per share for the current financial quarter and financial year-to-date are computed as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Unaudited</u> <u>31.12.2025</u> <u>(RM'000)</u>	<u>Unaudited</u> <u>31.12.2024</u> <u>(RM'000)</u>	<u>Unaudited</u> <u>31.12.2025</u> <u>(RM'000)</u>	<u>Audited</u> <u>31.12.2024</u> <u>(RM'000)</u>
Profit/(Loss) after tax attributable to owners of the Company	2,389	(3,367)	1,419	(27,112)
Weighted average number of ordinary shares in issue during the financial period ('000) <sup>(1)</sup>	374,000	374,000	374,000	374,000
Effects of conversion of warrants ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	-	-	-	-
Basic earnings/(loss) per share (sen)	<u>0.64</u>	<u>(0.90)</u>	<u>0.38</u>	<u>(7.25)</u>
Diluted earnings/(loss) per share (sen)	<u>0.64</u>	<u>(0.90)</u>	<u>0.38</u>	<u>(7.25)</u>

**Note:**

- (1) Based on the 340,000,000 ordinary shares after the completion of the IPO and the private placement 374,000,000 ordinary shares after the completion of the private placement.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

**B12 Notes to the Statement of Comprehensive Income**

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

	Individual Quarter		Cumulative Quarter	
	Unaudited	Unaudited	Unaudited	Audited
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	-	7	-	7
Interest income	(424)	(251)	(475)	(316)
Interest expenses	768	2,453	3,654	3,208
Realised loss/(gain) on foreign exchange	(1,959)	471	(1,441)	135
Fair value loss on other investment	327	452	327	452
Fair value gain on short term investment	-	(6)	-	(7)
Unrealised loss/(gain) on foreign exchange	2,854	541	1,396	2,647
Depreciation of property, plant and equipment	347	971	1,433	1,332
Inventories written down	-	648	-	648
Property, plant and equipment written off	-	4	-	4
Provision of onerous contract	-	341	-	341
Gain on disposal of property, plant and equipment	-	-	347	-
Impairment loss/(Reversal) of provision on trade receivables	330	(3,748)	330	(586)
Reversal of provision of liquidated ascertained damages	-	(157)	-	(157)
Impairment loss on contract assets	447	2,117	447	2,117

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements are not applicable.

**B13 Proposed Dividends**

The Board does not recommend any dividend for the current financial quarter under review.