PRESS RELEASE

(QUARTERLY RESULT FOR Q2FY2026)

18 August 2026

SOFTEN FINANCIAL PERFORMANCE FOR SECOND QUARTER ENDED 30 JUNE 2026 (Q2FY26 vs Q2FY25)

Teo Seng Capital Berhad ("Teo Seng" or "the Group") is pleased to announce its financial results for the second quarter ended 30 June 2026, demonstrating discipline in our operational efficiency and financial prudence amid a volatile market condition.

The Group recorded revenue of RM171.4 million, a marginal increase of 0.02% as compared with corresponding quarter of 2025. Flattish revenue growth was mainly attributable to lower sales of egg quantity with average selling price remained stable. Consequently, the Group recorded Profit After Tax ("PAT") of RM7.4 million for the quarter, representing a decrease of RM34.8 million or 82.5% as compared with RM42.1 million in Q2FY25. The decline in net profit was primarily attributable to the government's egg subsidy recognized in the corresponding quarter last year, which had elevated the base for comparison.

Segment Performance: Remain resilient in a volatile environment

- **Poultry Farming Segment:** Revenue of the Poultry Farming segment recorded revenue of RM142.0 million, representing a marginal increase of 0.4% as compared to RM141.4 million in the corresponding quarter of 2025. Modest revenue growth was due to lower sales of egg quantity despite average selling price remained stable. On the segmental profit, this segment reported Profit Before Tax ("PBT") of RM4.0 million in the current quarter, a decrease of 89.4% from RM38.1 million in Q2FY25. However, the year-on-year decline of RM34.1 million was largely attributable to the recognition of government's egg subsidies in the corresponding quarter of previous year as mentioned above.

- **Trading of Animal Health-Related Products Segment:** This segment continued to deliver steady performance, with a marginal softening in revenue. Segmental revenue recorded at RM29.5 million in the current quarter, representing a modest decrease of 1.6% from RM29.9 million in the corresponding quarter last year, As a result, segmental PBT recorded at RM7.0 million, representing a marginal declined of 2.7% or RM0.2 million as compared with corresponding quarter last year, RM7.2 million. This segment continued to complement our poultry farming segment and enhance our brand presence in the market.

For the Current Quarter vs Previous Quarter (Q2FY26 vs Q1FY26)

The Group recorded revenue of RM171.4 million in Q2FY26, representing a decrease of 7.1% from RM184.6 million in Q1FY26. Profit Before Tax ("PBT") for the quarter stood at RM10.6 million, a decline of 43.9% compared to RM18.9 million in the previous quarter. The decline in revenue and PBT mainly due to lower average selling price of eggs despite higher sales volume in the current quarter review.

First Interim Dividend of RM0.01 per Share

In recognition of the Group's half-yearly net profit of RM22.2 million, the Board of Directors has declared a first interim single-tier dividend of RM0.01 per share, amounting to RM5.66 million. Teo Seng's consistent dividend payouts reflect its dedication to delivering value to shareholders.

Key Financial Ratio

	Q2FY26	**Q1FY26**	**Q4FY25**	**Q3FY25**
Quarterly Revenue Growth	-7.1%	-5.1%	-3.6%	17.6%
Earnings Before Interest, Tax & Depreciation Margin (%)	12.4	15.8	27.0	20.6
Profit Before Tax Margin (%)	6.2	10.2	22.1	16.1
Profit After Tax Margin (%)	4.3	8.0	17.2	12.6
Gearing Ratio (times)	0.22	0.19	0.18	0.19
Net Assets Per Share (RM)	1.27	1.25	1.22	1.18
Return on Equity (%)	1.0	2.0	4.6	3.6

Prospect for the Group

The Group's core competency remains in layer farming, strategically complemented by its trading of animal health-related products. With eggs continuing to be a staple protein source and egg consumption on the rise, the Group is well-positioned to capitalise on this opportunity.

Looking ahead, Teo Seng Capital remains committed to its strategic initiatives. Our continued expansion of branded egg portfolio to capture bigger market share in this segment with this strategy elevate our branding value and margin resilience. Meanwhile, downstream processing products provide another avenue for our penetration into Ready-To-Eat (RTE) segment. However, the Group remains mindful of the challenging external environment, particularly ongoing geopolitical instabilities that continue to impact global supply chains and input costs. These macroeconomic headwinds are expected to exert pressure on operational margins in the near term. Nevertheless, the Group is proactively managing these challenges through prudent cost controls, operational optimization, and strategic diversification.

Barring any unforeseen circumstances, the Board remains cautiously optimistic about the Group's future performance. We are committed to leveraging and explore growth opportunities while ensuring a sustainable return to reward our stakeholders.

For more information, please visit our corporate website at www.teoseng.com.my

For further media inquiries, please contact:
Gan Han Long
Contact email: hl.gan@teoseng.com.my or Mobile: +6 019 759 1368