DUOPHARMA BIOTECH BERHAD

Registration No: 200001021664 (524271-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2025

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/6/2025 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2024 RM'000	CURRENT YEAR TO DATE 30/6/2025 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2024 RM'000
Revenue	221,782	218,324	484,520	411,292
Cost of Sales	(138,729)	(143,385)	(308,178)	(262,083)
Gross Profit	**83,053**	**74,939**	**176,342**	**149,209**
Other operating income	27	38	96	114
Distribution costs	(30,908)	(26,758)	(62,885)	(55,736)
Administration expenses	(20,507)	(20,837)	(43,288)	(40,198)
Other operating expenses	(181)	(54)	(197)	(625)
Profit from operations	**31,484**	**27,328**	**70,068**	**52,764**
Finance income	1,423	1,465	2,822	3,085
Finance costs	(6,323)	(6,833)	(12,569)	(13,788)
Profit before taxation	**26,584**	**21,960**	**60,321**	**42,061**
Taxation	(6,380)	(5,271)	(14,477)	(10,095)
Profit after tax for the period	**20,204**	**16,689**	**45,844**	**31,966**
Other comprehensive income				
Fair value of available-for-sale financial assets	3,787	(5,199)	(80)	(8,457)
Foreign currency translation differences for foreign operations	348	797	414	634
Total other comprehensive income for the period	**24,339**	**12,287**	**46,178**	**24,143**
Profit attributable to:				
Shareholders of the Company	20,204	16,689	45,844	31,966
Minority interest	-	-	-	-
	20,204	**16,689**	**45,844**	**31,966**
Total comprehensive income attributable to:				
Shareholders of the Company	24,339	12,287	46,178	24,143
Minority interest	-	-	-	-
	24,339	**12,287**	**46,178**	**24,143**
Earnings per share (sen)				
Basic (based on weighted average)	**2.10**	**1.73**	**4.77**	**3.32**
Diluted (based on weighted average)	**2.10**	**1.73**	**4.77**	**3.32**

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

DUOPHARMA BIOTECH BERHAD

Registration No: 200001021664 (524271-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	UNAUDITED AS AT 30/6/2025 RM'000	AUDITED AS AT 31/12/2024 RM'000
ASSETS		
Property, Plant and Equipment	567,509	567,521
Investment property	1,050	1,050
Intangible assets	43,067	44,867
Other investments	22,585	22,665
Deferred Tax Assets	14,815	15,330
Total non-current assets	649,026	651,433
Inventories	257,152	248,548
Current Tax Assets	17,527	18,104
Trade & Other Receivables	238,831	195,203
Cash & Cash Equivalents	255,501	264,545
Total current assets	769,011	726,400
Total Assets	**1,418,037**	**1,377,833**
EQUITY		
Share Capital	432,466	432,466
Reserves	(77,756)	(78,090)
Retained earnings	381,381	354,776
Total Equity	736,091	709,152
LIABILITIES		
Borrowings	455,113	464,523
Trade & Other Payables	2,985	2,755
Deferred Tax Liability	30,744	23,418
Total non-current liabilities	488,842	490,696
Borrowings	37,026	47,995
Trade & Other Payables	153,706	129,250
Current Tax Liabilities	2,372	740
Total current liabilities	193,104	177,985
Total Liabilities	**681,946**	**668,681**
Total Equity & Liabilities	**1,418,037**	**1,377,833**
	-	-
Net assets per share (RM)	**0.77**	**0.74**

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

DUOPHARMA BIOTECH BERHAD

Registration No: 200001021664 (524271-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2025

	Non-distributable			Distributable	
Group	**Share Capital RM '000**	**Translation Reserve RM '000**	**Fair value Reserve RM '000**	**Retained Profit RM '000**	**Total RM '000**
At 1 January 2025	432,466	1,143	(79,233)	354,776	709,152
Foreign currency translation differences for foreign operations	-	414	-	-	414
Net change in fair value of equity instrument designated at FVOCI	-	-	(80)	-	(80)
Profit for the period	-	-	-	45,844	45,844
Profit and total comprehensive income for the period	-	414	(80)	45,844	46,178
2024 Second Interim Dividend (2.0 sen)	-	-	-	(19,239)	(19,239)
At 30 June 2025	432,466	1,557	(79,313)	381,381	736,091

	Non-distributable			Distributable	
Group	**Share Capital RM '000**	**Translation Reserve RM '000**	**Fair value Reserve RM '000**	**Retained Profit RM '000**	**Total RM '000**
At 1 January 2024	432,466	583	(64,991)	319,065	687,123
Foreign currency translation differences for foreign operations	-	560	-	-	560
Net change in fair value of equity instrument designated at FVOCI	-	-	(14,242)	-	(14,242)
Profit for the period	-	-	-	62,645	62,645
Profit and total comprehensive income for the period	-	560	(14,242)	62,645	48,963
2023 Second Interim Dividend (1.8 sen)	-	-	-	(17,315)	(17,315)
2024 First Interim Dividend (1.0 sen)	-	-	-	(9,619)	(9,619)
At 31 December 2024	432,466	1,143	(79,233)	354,776	709,152

(The 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 the interim financial statements.)

DUOPHARMA BIOTECH BERHAD

Registration No: 200001021664 (524271-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2025

	30 JUNE 2025 RM '000	30 JUNE 2024 RM '000
Cash flows from operating activities		
Profit before taxation	60,321	42,061
Adjustments for:		
Depreciation of property, plant and equipment	20,193	20,297
Amortisation of intangible asset	2,442	2,362
Finance income from		
- Cash and cash equivalents	(2,822)	(3,085)
Impairment of inventories	6,287	3,401
Finance costs	12,569	13,788
Impairment loss/(Reversal) on trade receivables	841	(586)
Net unrealised foreign exchange loss/(gain)	2	(10)
Gain on disposal of PPE	(10)	(22)
Operating profit before changes in working capital	99,823	78,206
Change in inventories	(14,891)	12,813
Change in receivables, deposits and prepayments	(44,472)	(79,689)
Change in payables and accruals	24,639	6,578
Cash generated from operations	65,099	17,908
Finance costs paid	(12,456)	(13,682)
Net income tax paid	(4,427)	(6,013)
Net cash from/(used in) operating activities	48,216	(1,787)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(19,638)	(9,152)
Proceeds from disposal of property, plant and equipment	10	-
Acquisition of intangible assets	(642)	(1,298)
Interest received from		
- Cash and cash equivalents	2,822	3,085
Net cash used in investing activities	(17,448)	(7,365)
Cash flows from financing activities		
Drawdown of borrowings	20,099	51,217
Repayment of borrowings	(40,592)	(73,834)
Dividends paid to shareholders of the Company	(19,238)	(17,315)
Payment of lease liabilities	(495)	(890)
Net cash used in financing activities	(40,226)	(40,822)
Net decrease in cash and cash equivalents	(9,458)	(49,974)
Exchange differences on translation of financial statement of foreign operations	414	634
Cash and cash equivalents at 1 January	264,545	270,502
Cash and cash equivalents as at 30 June	255,501	221,162
	-	-

(I) Cash and cash equivalents comprise:

	RM '000	RM '000
Deposits placed with licensed banks	34,030	3,000
Cash and bank balances	67,202	61,987
Highly liquid investment with financial institutions	154,269	156,175
	255,501	221,162

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.)

A1 Accounting Policies and Method of Computation

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, MFRS 134: *Interim Financial Reporting* and with IAS 34, *Interim Financial Reporting.*

These interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the explanatory notes attached to the interim financial statements.

The following MFRSs and Amendments to MFRSs applicable to the Group have been adopted with effect from 1 January 2025 :

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

• Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

• Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
• Amendments that are part of Annual Improvements — Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

• MFRS 18, *Presentation and Disclosure in Financial Statements*
• MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

• Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the above pronouncements did not have any material impact to the consolidated financial statements of the Group.

A2 Audit Report

The audited report of the Company's preceding annual financial statements was not qualified.

A3 Seasonal or Cyclical Factors

The Group's sales typically peak in the first three quarters of the calendar year with higher demand in the public health sector and will gradually taper off in the final quarter of the calendar year.

A4 Exceptional/Extraordinary Items

There were no exceptional/extraordinary items for the financial year under review.

A5 Changes in Estimates

There was no change in estimates that have a material effect in the current quarter results.

A6 Debts and Equity Securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial year.

A7 Dividend Paid

No dividend was paid during the current quarter (2024: Nil)

A8 Segment Information

	Quarter Ended		Year To Date	
	30/6/2025		30/6/2025	
	RM ' 000		RM ' 000	
Sales by operating sector :-	Sales	Gross Profit	Sales	Gross Profit
Local	207,792	78,387	454,933	167,194
Export	13,990	4,666	29,587	9,148
	221,782	83,053	484,520	176,342

A9 Post Balance Sheet Events

There are no material events after the year ended up to 14 August 2025 (latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report) that have not been reflected in the financial statements for the financial period ended 30 June 2025.

A10 Changes in the Composition of the Group

There was no changes in the composition of the Group for the period under review.

ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1 Review of Performance

	Year To Date (30/6/25) RM'000	Year To Date (30/6/24) RM'000	Variance	
			RM'000	%
Revenue	484,520	411,292	73,228	17.8
Profit before tax (PBT)	60,321	42,061	18,260	43.4
Profit after tax (PAT)	45,844	31,966	13,878	43.4

For the first half of the financial year, the Group achieved a revenue of RM484.52 million, marking a 17.8% increase compared to RM411.29 million in the corresponding period last year. This growth was supported by strong sales performance across all business segments, particularly driven by increased sales to the public sector and a one-off surge in insulin supply during the first quarter, as the Group fulfilled outstanding orders following supply normalization.

Driven by higher revenue and the normalization of Active Pharmaceutical Ingredient (API) prices to pre-pandemic levels, the Group recorded a commendable PBT of RM60.32 million for the first half of the financial year, representing a 43.4% increase compared to the same period in 2024.

B2 Comparison with the Preceding Quarter's Results

	Qtr 2 2025 (30/6/25) RM'000	Qtr 1 2025 (31/3/25) RM'000	Variance	
			RM'000	%
Revenue	221,782	262,738	(40,956)	(15.6)
Profit before tax (PBT)	26,584	33,737	(7,153)	(21.2)
Profit after tax (PAT)	20,204	25,640	(5,436)	(21.2)

For the second quarter ended 30 June 2025, the Group's revenue of RM221.78 million is lower as compared to RM262.74 million reported in the preceding quarter. The decline was primarily due to lower demand from the public health sector, coupled with the absence of the one-off surge in insulin sales seen in the preceding quarter, which arose from the fulfillment of outstanding orders following supply normalization.

Lower revenue including the absence of the one-off surge in insulin sales seen in the preceding quarter, led to a lower PBT of RM26.58 million as compared to RM33.74 mil in the preceding quarter.

B3 Prospects for the Remainder of Current Financial Year

In its Monetary Policy Statement dated 9 July 2025, Bank Negara Malaysia (BNM) noted that global growth continues to expand, supported by resilient consumer spending, favourable labour market conditions, and easing monetary and fiscal policies, though this outlook remains weighed down by ongoing geopolitical tensions and the tariff uncertainties. Domestically, Malaysia's economic activity is expected to remain supported by robust domestic demand, steady employment and wage growth, and policy-driven household spending. However, downside risks persist due to subdued global trade, weaker sentiment, and potential underperformance in commodity production. Hence, the Malaysia GDP growth is expected to be slightly lower than its previously forecast of 4.5% to 5.5% for 2025. In light of these factors, BNM's recent reduction of the Overnight Policy Rate (OPR) from 3.00% to 2.75% serves as a pre-emptive move to sustain growth momentum amid moderate inflation and external headwinds.

Complementing the supportive monetary stance, the 13th Malaysia Plan (RMK-13), tabled by the Prime Minister in Parliament on 31 July 2025, reaffirms the government's long-term vision to improve living standards, restructure the economy, and enhance Malaysia's position as a leading Southeast Asian economy. Building upon the earlier RM45.27 billion allocation to the Ministry of Health under Budget 2025, RMK-13 further signals a sustained policy commitment to the healthcare and pharmaceutical sectors with a substantial RM40 billion allocation dedicated to health-related initiatives over the next five years. These initiatives encompass infrastructure upgrades, broader access to care, and continued support for pharmaceutical research and manufacturing. The alignment between the medium-term priorities under RMK-13 and the immediate fiscal measures in Budget 2025 reflects a cohesive national agenda that prioritises healthcare reform, supports domestic manufacturing, and encourages greater self-reliance in medical and pharmaceutical supply chains. Local healthcare and pharmaceutical players are well-positioned to benefit from this favourable policy environment, with increased demand expected across both public and private healthcare channels.

The following developments are also expected to augur well for the overall business performance of Duopharma Group:

a) In the second half of 2024, Duopharma (M) Sendirian Berhad and Duopharma Manufacturing (Bangi) Sdn. Bhd., both wholly-owned subsidiaries of the Company, received and accepted a total of 16 Letters of Offer (LOOs) from Pharmaniaga Logistics Sdn. Bhd. ("hereinafter referred to as the "Customer") for the supply of pharmaceutical and non-pharmaceutical products under the Ministry of Health Malaysia's Approved Products Purchase List (APPL) to offices and facilities operated by the Government of Malaysia. The total estimated value of these contracts is approximately RM665.76 million, covering 96 products.

   Subsequently, in April 2025, Duopharma Manufacturing (Bangi) Sdn. Bhd. and Duopharma HAPI Sdn. Bhd. (also a wholly-owned subsidiary of the Company), each received and accepted one additional LOO from the Customer for the supply of 1 and 3 products, valued at approximately RM1.81 million and RM16.58 million, respectively.

   Hence, the total number of products to be supplied through the Customer under the contracts is 100, with a combined estimated contract value of approximately RM684.15 million. All contracts will remain valid and binding until 31 December 2026, or such other date as may be directed by the Government of Malaysia.

b) The contract period for the supply of Insugen-Insulin Recombinant Human Formulations by Duopharma Marketing Sdn. Bhd. ("DMktg") and Biocon Sdn. Bhd. ("Biocon") to the Ministry of Health Malaysia, pursuant to the Revised Letter of Award dated 25 April 2022 and the formal agreement for the procurement via direct negotiation for the supply of insulin medicine as a package ('Perjanjian Perolehan Secara Rundingan Terus Pembekalan Ubat Insulin Secara Pakej') between the Government of Malaysia, DMktg and Biocon, has expired on 28 April 2025. The contract has been extended for an additional six months until 28 October 2025.

The Group continued to demonstrate resilience in the second quarter of 2025, despite a moderation in revenue compared to the preceding quarter. While global economic uncertainties stemming from upheaval in U.S. tariff policies and ongoing geopolitical tensions continue to present external risks, the Group does not anticipate any material direct impact at this stage. Nevertheless, the Group remains vigilant and continues to monitor potential indirect effects on global supply chain closely.

Looking ahead to the second half of the year, the recent reduction in the OPR is expected to benefit the Group over the longer term, cushioning the unfavourable impacts that may arise from the new electricity tariff under the Regulatory Period 4 and the recently gazetted expansion of Sales Tax and Service Tax. Meanwhile, the government's tabling of the 13th Malaysia Plan, with its substantial commitment to healthcare and pharmaceutical development further reinforces a favourable domestic policy environment. These structural reforms are expected to stimulate sector-wide growth and align well with the Group's long-term strategic positioning. In addition to domestic prospects, the Group's regional business has shown encouraging momentum, with improved market penetration and growing demand in key ASEAN markets, reinforcing the Group's international growth strategy.

In navigating this evolving landscape, the Group will continue to focus on enhancing operational efficiencies, strengthening cost discipline, and adapting to evolving market conditions to ensure it remains resilient and competitive in the industry. Barring any unforeseen circumstances, the Group aims to deliver a satisfactory performance for the financial year 2025.

B4 Profit Forecast

No commentary is made on any variance between actual profit from forecast profit as it does not apply to the Group.

B5 Taxation

Details of taxation are as follows :-

	Current Year Quarter 30/6/25 RM'000	Current Year To Date 30/6/25 RM'000
Based on results for the quarter/year	(4,620)	(6,636)
Transfer (from)/to deferred tax	(1,760)	(7,841)
	(6,380)	(14,477)

The Group's tax expense is recognised in each financial quarter based on the best estimate of the expected annual effective tax rate for the full financial year.

B6 Unquoted Investments and Properties

There was no disposal of unquoted investment and/or properties during the current financial quarter.

B7 Status of Corporate Proposals

There was no corporate proposals during the current financial period.

B8 Borrowings and Debt Securities

Details of Group's borrowings are as follows :-

	As at 30 June 2025 RM'000	As at 31 December 2024 RM'000
Current - unsecured	37,026	47,995
Non-current - unsecured	455,113	464,523
Total	492,139	512,518

B9 Material litigation

As per the announcements made to Bursa Malaysia, on 19 February 2025, Sun Pharmaceutical Industries Limited ("the Plaintiff") commenced legal proceedings in the High Court of Malaya against Duopharma Manufacturing (Bangi) Sdn. Bhd. ("DMfgB"), a wholly owned subsidiary of the Company. The suit alleges that DMfgB's use of a specific registered trademark constitutes an infringement of the Plaintiff's own registered trademark.

At the latest case management held on 6 August 2025, the Court has given the following directions:

i) The Plantiff and DMfgB to file the Common Bundle of Documents by 8 October 2025;
ii) Trial was fixed for 2 June 2026 to 5 June.2026; and
iii) The next case management was fixed on 10 October 2025.

The Company will announce further developments on the above matter as and when necessary.

B10 Dividend

For the current financial period ended 30 June 2025, the Board of Directors has resolved that an interim dividend of 1.5 sen per share be paid by the Company based on paid up capital of 961,942,451 shares amounting to approximately RM14.43 million (2024: an interim dividend of 1.0 sen per share equivalent to approximately RM9.62 million). The entitlement date and the payment date will be on 9 September 2025 and 24 September 2025 respectively.

B11 Earnings per Share

	Current year quarter 30/6/25	Current year to date 30/6/25
a) Basic EPS		
Net profit (RM'000)	20,204	45,844
Weighted average number of ordinary shares in issue ('000)		
-Balance b/f	961,942	961,942
	961,942	961,942
Basic EPS (sen)	2.10	4.77
b) Dilutive EPS		
Adjusted weighted average number of ordinary shares in issue ('000)		
-In issue during the period	961,942	961,942
	961,942	961,942
Dilutive EPS (sen)	2.10	4.77

B12 Profit Before Tax

	Current year quarter 30/6/25 RM '000	Current year to date 30/6/25 RM '000
Operating profit is arrived at after charging / (crediting):		
Depreciation of property, plant and equipment	10,039	20,193
Finance costs	6,323	(12,569)
Net impairment of inventories	1,396	6,287
Net foreign exchange loss	121	66
Interest income	(1,423)	(2,822)

Other than the above, there were no other material impairment of assets nor gain or loss on derivatives for the current quarter and current year ended 30 June 2025.

B13 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 21 August 2025.

By Order of the Board

Ibrahim Hussin Salleh
Secretary
License No.: LS 0009121
SSM Practising Certificate No.: 201908001032
Kuala Lumpur
21 August 2025