GREATECH TECHNOLOGY BERHAD

(Company No. 201801008633 (1270647-H))
(Incorporated in Malaysia under the Companies Act 2016)

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED
30 JUNE 2026

GREATECH TECHNOLOGY BERHAD
(Company No. 201801008633 (1270647-H))
(Incorporated in Malaysia under the Companies Act 2016)
Interim Financial Report For The Second Quarter Ended 30 June 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026 [(1)]

	Unaudited as at 30/6/2026 RM'000	Audited as at 31/12/2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	423,981	428,630
Right-of-use assets	100,626	102,640
Intangible assets	1,113	1,380
Goodwill on consolidation	14,960	15,361
	540,680	548,011
Current assets		
Inventories	79,182	38,012
Trade and other receivables	194,513	106,878
Contract assets	252,443	220,344
Current tax assets	1,533	2,114
Derivative assets	90	-
Short term funds	172,052	54,019
Cash and bank balances	150,921	227,163
	850,734	648,530
TOTAL ASSETS	**1,391,414**	**1,196,541**
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	136,150	136,150
Reserves	925,229	866,528
TOTAL EQUITY	1,061,379	1,002,678
Non-current liabilities		
Borrowings	10,067	10,616
Lease liabilities	3,218	4,009
Deferred tax liabilities	25,387	24,748
Government grant	2	16
	38,674	39,389
Current liabilities		
Trade and other payables	153,392	62,701
Contract liabilities	75,564	34,463
Provision for warranties	16,495	15,561
Borrowings	37,910	34,378
Lease liabilities	1,844	1,932
Government grant	42	56
Current tax liability	6,114	5,383
	291,361	154,474
TOTAL LIABILITIES	330,035	193,863
TOTAL EQUITY AND LIABILITIES	**1,391,414**	**1,196,541**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026 (1)

	Unaudited as at 30/6/2026	Audited as at 31/12/2025
Number of ordinary shares in issue ('000)	2,514,544	2,514,544
Net assets per share attributable to owners of the parent (RM)	0.4221	0.3988

(1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

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GREATECH TECHNOLOGY BERHAD
(Company No. 201801008633 (1270647-H))
(Incorporated in Malaysia under the Companies Act 2016)
Interim Financial Report For The Second Quarter Ended 30 June 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30/6/2026 RM'000	30/6/2025 RM'000	30/6/2026 RM'000	30/6/2025 RM'000
Revenue	209,603	232,734	388,595	408,120
Cost of sales	(157,634)	(167,464)	(290,769)	(284,397)
Gross profit	51,969	65,270	97,826	123,723
Other income	4,767	2,714	16,344	5,776
Net gains/(losses) on impairment of financial assets	776	(934)	953	(1,218)
Administrative and marketing expenses	(18,580)	(37,384)	(46,406)	(55,388)
Finance cost	(595)	(738)	(1,203)	(1,012)
Profit before tax	38,337	28,928	67,514	71,881
Taxation	(4,761)	(3,003)	(7,044)	(9,037)
Profit for the financial period	33,576	25,925	60,470	62,844
Other comprehensive income/(expense)				
Item that may be reclassified subsequently to profit or loss				
Foreign currency translations	45	1,253	(1,769)	1,707
Total comprehensive income for the financial period attributable to owners of the parent	33,621	27,178	58,701	64,551
Earnings per ordinary share attributable to owners of the parent (sen)				
- Basic [2]	1.34	1.03	2.40	2.50
- Diluted [2]	1.34	1.03	2.40	2.50

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

[1] The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

[2] Based on weighted average number of ordinary shares in issue during the financial period under review.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

	Non-distributable					Distributable	
	Share capital RM'000	**Exchange translation reserve RM'000**	**Reorganisation debit reserve RM'000**	**Revaluation reserve RM'000**	**Share grant reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
Balance as at 1 January 2026	136,150	(2,855)	(39,500)	29,528	-	879,355	1,002,678
Profit for the financial period	-	-	-	-	-	60,470	60,470
Foreign currency translations	-	(1,769)	-	-	-	-	(1,769)
Other comprehensive income, net of tax	-	(1,769)	-	-	-	-	(1,769)
Total comprehensive income	-	(1,769)	-	-	-	60,470	58,701
Realisation of revaluation surplus	-	-	-	(366)	-	366	-
Balance as at 30 June 2026	136,150	(4,624)	(39,500)	29,162	-	940,191	1,061,379
Balance as at 1 January 2025	129,284	(2,479)	(39,500)	24,121	5,994	791,870	909,290
Profit for the financial period	-	-	-	-	-	62,844	62,844
Foreign currency translations	-	1,707	-	-	-	-	1,707
Other comprehensive income, net of tax	-	1,707	-	-	-	-	1,707
Total comprehensive income	-	1,707	-	-	-	62,844	64,551
Realisation of revaluation surplus	-	-	-	(300)	-	300	-
Transactions with owners:							
ESGP [2] expenses	-	-	-	-	805	-	805
Total transactions with owners	-	-	-	-	805	-	805
Balance as at 30 June 2025	129,284	(772)	(39,500)	23,821	6,799	855,014	974,646

[1] The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

[2] ESGP - Employees' Share Grant Plan

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

	Notes	6 months ended 30/6/2026 RM'000	6 months ended 30/6/2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		67,514	71,881
Adjustments for:			
Amortisation of government grant		(28)	(28)
Amortisation of intangible asset		230	237
Depreciation of:			
- property, plant and equipment		14,346	13,744
- right-of-use assets		2,081	1,760
Fair value adjustment on derivative assets		(90)	(378)
Gains on disposal of property, plant and equipment		-	(38)
Interest expense		1,203	1,012
Interest income		(3,233)	(3,401)
Net (gains)/losses on impairment of:			
- contract assets		(491)	115
- trade receivables		(462)	1,103
Provision for warranties		1,778	3,617
Provision of inventories written down		(11)	(101)
Reversal of unused provision for warranties		(790)	(4,062)
Share grant expenses		-	805
Unrealised (gains)/losses on foreign exchange		(10,879)	12,472
Operating profit before changes in working capital		71,168	98,738
(Increase)/Decrease in inventories		(41,158)	26,819
Increase in trade and other receivables		(78,720)	(501)
(Increase)/Decrease in contract assets		(31,608)	6,403
Increase/(Decrease) in trade and other payables		88,752	(4,594)
Increase/(Decrease) in contract liabilities		41,100	(18,821)
Cash generated from operations		49,534	108,044
Interest paid		(1,003)	(740)
Interest received		3,233	3,401
Tax paid		(6,107)	(8,173)
Tax refunded		1,045	243
Net cash from operating activities		46,702	102,775

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

	6 months ended	
	30/6/2026	30/6/2025
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash acquired	-	(49,537)
Proceeds from disposal of property, plant and equipment	-	89
Purchase of property, plant and equipment	(14,728)	(16,310)
Net cash used in investing activities	(14,728)	(65,758)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of:		
- lease liabilities	(1,164)	(1,231)
- term loans	(550)	(551)
Net cash used in financing activities	(1,714)	(1,782)
Net changes in cash and cash equivalents	30,260	35,235
Effects of exchange rate changes	7,998	(11,544)
Cash and cash equivalents at beginning of financial period	247,905	232,822
Cash and cash equivalents at end of financial period	286,163	256,513
Cash and cash equivalents comprise the following at end of financial period:		
Cash and bank balances	150,921	263,540
Short term funds	172,052	25,309
Less: Bank overdraft	(36,810)	(32,336)
	286,163	256,513

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026 [1]

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities RM'000	Term loans RM'000
Balance as at 1 January 2026	5,941	11,717
Cash flows	(1,164)	(550)
Non-cash flows		
- addition of lease liabilities	215	-
- effects of lease modification	(44)	-
- translation adjustment	(86)	-
- accretion of interest	200	-
Balance as at 30 June 2026	5,062	11,167

	Lease liabilities RM'000	Term loans RM'000
Balance as at 1 January 2025	7,544	12,817
Cash flows	(1,231)	(551)
Non-cash flows		
- acquisition of a subsidiary	298	-
- addition of lease liabilities	272	-
- effects of lease modification	(8)	-
- translation adjustment	101	-
- accretion of interest	272	-
Balance as at 30 June 2025	7,248	12,266

(1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant To MFRS 134, Interim Financial Reporting

A1. Basis of Preparation

The interim financial report of Greatech Technology Berhad ("**Company**" or "**Greatech**") and its subsidiaries (collectively known as "**Group**") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MFRSs**") 134 *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").

This interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited financial statements, except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC interpretations.

a) New and revised MFRSs, Amendments to MFRSs and IC interpretations adopted during the financial period

Title	Effective date
Annual Improvements to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Annual Improvements to MFRS 7 Financial Instruments: Disclosures	1 January 2026
Annual Improvements to MFRS 9 and MFRS 7 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2026
Annual Improvements to MFRS 10 Consolidated Financial Statements	1 January 2026
Annual Improvements to MFRS 107 Statement of Cash Flows	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026

The adoption of the above accounting standards and interpretations have no impact on the financial statements of the Group upon their initial application.

b) New and revised MFRSs, Amendments to MFRSs and IC interpretations, but only effective for annual periods beginning on or after 1 January 2027

The following are standards of the MFRSs Framework that have been issued by the Malaysian Accounting Standards Board but have not been early adopted by the Group:

Title	Effective date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

A2. Significant Accounting Policies (Continued)

b) New and revised MFRSs, Amendments to MFRSs and IC interpretations, but only effective for annual periods beginning on or after 1 January 2027 (Continued)

The following are standards of the MFRSs Framework that have been issued by the Malaysian Accounting Standards Board but have not been early adopted by the Group: (Continued)

Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
MFRS 20 Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to MFRS 128 *Investments in Associates and Joint Ventures*	(1)
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

(1) Applicable when an entity first applies MFRS 18

A3. Audit Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2025.

A4. Seasonal or Cyclical Factors

The Group did not experience any material seasonality or cyclicality in the business as the demand for the products and services are neither subject to seasonal fluctuations nor cyclical variations.

A5. Material Unusual Items

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

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current financial quarter under review.

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A8. Dividend Paid

There was no dividend paid during the current financial quarter under review.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

A9. Segmental Reporting

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the sale of automated equipment together with provision of parts and services.

No provision of parts and services segment information is presented as the Chief Executive Officer ("**CEO**") views the Group as a single reportable segment.

A10. Valuations of Property, Plant and Equipment and Right-Of-Use Assets

The valuations on its leasehold buildings and leasehold land classified under Property, Plant and Equipment ("**PPE**") and Right-Of-Use ("**ROU**") assets respectively, are performed by an independent professional valuer using the open market value basis on 31 December 2025.

A11. Material Events Subsequent to the end of the Interim Financial Period

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.

A12. Changes in Group's Composition

There were no changes in the composition of the Group during the current financial period under review except for:

Voluntary dissolution of a subsidiary

On 12 February 2026, the Group received approval from the Securities and Exchange Commission of the Philippines for the voluntary dissolution of GT Integration (Philippines) Inc. ("**GIP**"), a wholly-owned subsidiary of Greatech Integration (M) Sdn Bhd ("**GIM**"), which is a wholly-owned subsidiary of Greatech Technology Berhad, by shortening its term of existence to 31 December 2024 pursuant to Section 136 of the Revised Corporation Code of the Philippines ("**RCC**").

GIP has commenced its three-year liquidation process under Section 139 of the RCC and is expected to be fully liquidated by 31 December 2027, upon which it will cease to be a subsidiary of the Group. GIP has not commenced operations since its incorporation and there are no plans to activate the company.

The voluntary dissolution of GIP is not expected to have any material effect on the earnings, net assets or gearing of the Group for the financial years ending 31 December 2026 and 31 December 2027.

Incorporation of a wholly-owned subsidiary

On 9 March 2026, the Company incorporated a wholly-owned subsidiary, namely Greatech Integration (Canada) Ltd. in Canada for a cash consideration of CAD100 (approximately RM284.14) comprising 100 ordinary shares.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

A13. Contingent Assets and Contingent Liabilities

There were no material contingent assets or contingent liabilities to be disclosed as at the date of this interim financial report.

A14. Capital Commitments

Save as disclosed below, as at 30 June 2026, the Group does not have any material capital commitments:

Property, Plant and Equipment	**RM'000**
- Approved and contracted for	6,330

Capital commitments of the Group relate to the computer systems, electrical installation, office equipment, renovation, motor vehicles, plant and machinery, tools and equipment.

A15. Significant Related Party Transactions

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

A16. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current financial quarter under review.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

Part B - Additional Information Required by the Main Market Listing Requirements of Bursa Securities

B1. Review of Group's Performance

	Individual Quarter 3 Months Ended		Changes		Cumulative Quarter 6 Months Ended		Changes	
	30/6/2026 RM'000	30/6/2025 RM'000	RM'000	%	30/6/2026 RM'000	30/6/2025 RM'000	RM'000	%
Revenue	**209,603**	**232,734**	**(23,131)**	**(9.94%)**	**388,595**	**408,120**	**(19,525)**	**(4.78%)**
Cost of sales	(157,634)	(167,464)			(290,769)	(284,397)		
Gross Profit ("GP")	**51,969**	**65,270**	**(13,301)**	**(20.38%)**	**97,826**	**123,723**	**(25,897)**	**(20.93%)**
Other Operating Expenses	(13,632)	(36,342)			(30,312)	(51,842)		
Profit Before Tax ("PBT")	**38,337**	**28,928**	**9,409**	**32.53%**	**67,514**	**71,881**	**(4,367)**	**(6.08%)**
GP %	*24.79%*	*28.04%*			*25.17%*	*30.32%*		
PBT %	*18.29%*	*12.43%*			*17.37%*	*17.61%*		

Comparison with prior year corresponding quarter's results

The Group's revenue of RM209.60 million for the current financial quarter ended 30 June 2026 ("**2Q2026**") was RM23.13 million or 9.94% lower than that of the corresponding financial quarter ended 30 June 2025 ("**2Q2025**"). The lower revenue was mainly attributable to lower contributions from the E-Mobility sector, which was the principal revenue contributor in 2Q2025. This was partially offset by contributions from the Data Centre, Life Sciences, Semiconductor and Solar sectors, reflecting changes in the timing and progress of the Group's long-term projects across different sectors.

The Group recorded a gross profit ("**GP**") of RM51.97 million and gross profit margin ("**GP margin**") of 24.79% in 2Q2026, compared with RM65.27 million and 28.04% respectively in 2Q2025. Both periods comprised a significant proportion of projects in the assembly stage. The lower GP margin in 2Q2026 was mainly attributable to the mix of projects recognised during the quarter.

The Group's profit before tax ("**PBT**") for 2Q2026 was RM38.34 million, an increase of RM9.41 million or 32.53% compared with RM28.93 million in 2Q2025. The Group's profit before tax margin ("**PBT margin**") increased to 18.29% from 12.43% in the corresponding quarter last year. The improvement in PBT and PBT margin was primarily attributable to a favourable net foreign exchange movement and the reversal of impairment losses on financial assets in 2Q2026, compared with a net foreign exchange loss and an impairment charge in 2Q2025. These favourable movements were partially offset by the lower gross profit, as explained above.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B1. Review of Group's Performance (Continued)

Comparison with prior year corresponding cumulative quarter's results

The Group's revenue for the six-month financial period ended 30 June 2026 ("**6M2026**") was RM388.60 million, a decrease of RM19.53 million or 4.78% compared with RM408.12 million in the corresponding financial period ended 30 June 2025 ("**6M2025**"). The lower revenue was mainly attributable to lower contributions from the E-Mobility, Life Sciences and Solar sectors. This was substantially offset by higher contributions from the Data Centre and Semiconductor sectors, reflecting changes in the timing and progress of the Group's long-term projects across different sectors.

The Group recorded a gross profit ("**GP**") of RM97.83 million and gross profit margin ("**GP margin**") of 25.17% for the 6M2026, compared with RM123.72 million and 30.32% respectively in the 6M2025. Both periods comprised a significant proportion of projects in the assembly stage. The lower GP margin was mainly attributable to the mix of projects recognised during 6M2026. The margin was also affected by higher direct labour and overhead costs, including the full-period consolidation of GMS in the 6M2026.

The Group's profit before tax ("**PBT**") for the 6M2026 was RM67.51 million, a decrease of RM4.37 million or 6.08% compared with RM71.88 million in the 6M2025. The Group's profit before tax margin ("**PBT margin**") decreased marginally to 17.37% from 17.61%. The decline in PBT was primarily attributable to the lower gross profit, as explained above. This was partially offset by a favourable net foreign exchange movement and the reversal of impairment losses on financial assets in the 6M2026, compared with a net foreign exchange loss and an impairment charge in the 6M2025.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended	Immediate Preceding Quarter Ended	Changes	
	30/6/2026 RM'000	31/3/2026 RM'000	RM'000	%
Revenue	**209,603**	**178,992**	**30,611**	**17.10%**
Cost of sales	(157,634)	(133,135)		
Gross Profit ("GP")	**51,969**	**45,857**	**6,112**	**13.33%**
Other Operating Expenses	(13,632)	(16,680)		
Profit Before Tax ("PBT")	**38,337**	**29,177**	**9,160**	**31.39%**
GP %	*24.79%*	*25.62%*		
PBT %	*18.29%*	*16.30%*		

The Group's revenue for the current financial quarter ended 30 June 2026 (**"2Q2026"**) was RM209.60 million, an increase of RM30.61 million or 17.10% compared with RM178.99 million in the immediate preceding financial quarter ended 31 March 2026 (**"1Q2026"**). The higher revenue was mainly driven by stronger contributions from the Data Centre, Life Sciences and Semiconductor sectors. This was partially offset by lower contributions from the E-Mobility sector.

The Group recorded a gross profit ("**GP**") of RM51.97 million and gross profit margin ("**GP margin**") of 24.79% in 2Q2026, compared with RM45.86 million and 25.62% respectively in 1Q2026. While GP increased in line with the higher revenue, the lower GP margin in 2Q2026 was mainly attributable to the mix of projects recognised during the quarter.

The Group's profit before tax ("**PBT**") for 2Q2026 was RM38.34 million, an increase of RM9.16 million or 31.39% compared with RM29.18 million in 1Q2026. The Group's profit before tax margin ("**PBT margin**") increased to 18.29% from 16.30%. The improvement in PBT and PBT margin was primarily attributable to the higher gross profit, a favourable net foreign exchange movement and a higher reversal of impairment losses on financial assets in 2Q2026.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B3. Commentary on Prospects

The Group maintains a confident yet prudent outlook for the second half of 2026, underpinned by the ongoing execution of its record order book, which provides strong revenue visibility through 2027. This foundation enables the Group to continuously enhance operational efficiency, strengthen project execution and uphold disciplined cost management.

While global market dynamics remain subject to geopolitical shifts, evolving trade policies and supply chain realignments, the Group continues to proactively expand its customer base and end-market exposure, while pursuing growth opportunities across both established and emerging markets.

The long-term demand drivers for automation, precision engineering and advanced manufacturing solutions across the Group's targeted sectors remain compelling. With an expanded global footprint across Malaysia, the United States and Europe, the Group is strategically positioned to support international clients across their investment and production lifecycles, capitalising on global manufacturing diversification and supply chain localisation. Moving forward, the Group will continue to make disciplined and selective investments in technology, talent and capacity to drive long-term competitiveness.

Supported by a positive order book and an active tender pipeline, the Group remains confident in its ability to navigate macroeconomic challenges, seize emerging opportunities and deliver sustainable value to stakeholders.

As of 21 August 2026, the Group’s outstanding order book stood at approximately RM1.83 billion and is expected to last until the second half of 2027.

B4. Profit Forecast

The Group did not issue any profit forecast during the current financial quarter under review.

B5. Status of Corporate Proposals

There were no other corporate proposals announced and not completed for the current financial quarter under review.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B6. Taxation

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30/6/2026 RM'000	30/6/2025 RM'000	30/6/2026 RM'000	30/6/2025 RM'000
Income tax	(3,702)	(2,095)	(6,304)	(5,296)
Deferred tax expenses	(1,041)	(616)	(722)	(3,219)
Withholding tax expense	(18)	(292)	(18)	(522)
	(4,761)	(3,003)	(7,044)	(9,037)
Effective tax rate	12.42%	10.38%	10.43%	12.57%

The effective tax rate for the current financial quarter ended 30 June 2026 (**"2Q2026"**) was higher compared to 30 June 2025 ("**2Q2025**") mainly due to higher income tax arising from a higher profit contribution from non-pioneer status businesses, partially offset by lower withholding tax expense recognised during the quarter.

The effective tax rate for the six-month financial period ended 30 June 2026 was lower compared to the corresponding period ended 30 June 2025, mainly due to lower deferred tax expense arising from temporary differences between accounting depreciation and the corresponding capital allowances, together with lower withholding tax expense recognised during the period.

The overall effective tax rate for the cumulative financial period of the Group was lower than the statutory tax rate of 24% as the subsidiary, Greatech Integration (M) Sdn Bhd was granted pioneer status for certain activities in designing and manufacturing of production line system and single automated equipment, which fall within the list of promoted activities and products by Ministry of International Trade and Industry of Malaysia under the Promotion of Investments Act, 1986.

Withholding tax expense is related to foreign withholding tax liability from sales of production line systems and provision of engineering services to customers in certain jurisdictions. Due to complexity of the tax law, significant judgement is required in evaluating the tax positions, including uncertainties. There is no assurance of refundability. Thus, the Group has decided to expense the withholding tax to the statement of profit or loss and other comprehensive income.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B7. Borrowings and Debt Securities

The details of the Group's borrowings are as follows:

	Unaudited	
	30/6/2026	**30/6/2025**
	RM'000	**RM'000**
Secured:		
Current liabilities		
Bank overdraft	36,810	32,336
Finance lease liabilities	-	13
Term loans	1,100	1,099
	37,910	33,448
Non-current liabilities		
Term loans	10,067	11,167
	10,067	11,167
Total liabilities		
Bank overdraft	36,810	32,336
Finance lease liabilities	-	13
Term loans	11,167	12,266
	47,977	44,615

B8. Derivative Assets

The details of outstanding derivative instruments as at 30 June 2026 are as follows:

	Contracts amount	**Assets**
Forward Foreign Exchange Contracts:	**RM'000**	**RM'000**
- Less than 1 year	12,300	90

The Group's derivative assets at the end of the current financial period comprise forward foreign exchange contracts which are used to manage the foreign currency exposures arising from the Group's receivables denominated in USD. The fair value of the forward foreign exchange contracts is based on the difference between the contracted forward rates and the mark-to-market rates.

B9. Material Litigation

As at the date of this interim financial report, there were no material litigations involving the Group.

B10. Proposed Dividend

The Board of Directors did not declare or recommend any dividend for the current financial quarter under review.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B11. Earnings Per Ordinary Share ("EPS")

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30/6/2026	**30/6/2025**	**30/6/2026**	**30/6/2025**
Profit after tax attributable to owners of the parent (RM'000)	33,576	25,925	60,470	62,844
Basic				
Weighted average number of ordinary shares in issue ('000)	2,514,544	2,511,423	2,514,544	2,511,423
Basic EPS (sen) [1]	1.34	1.03	2.40	2.50
Diluted				
Weighted average number of ordinary shares in issue ('000)	2,514,544	2,511,423	2,514,544	2,511,423
Effect of dilution due to employee share grant plan ('000)	-	3,402	-	3,402
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	2,514,544	2,514,825	2,514,544	2,514,825
Diluted EPS (sen) [2]	1.34	1.03	2.40	2.50

[1] Basic EPS is calculated based on the profit after tax attributable to owners of the parent divided by the weighted average number of ordinary shares in issue during the financial period under review.

[2] Diluted EPS for the financial period is calculated by dividing the profit for the financial period attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

B12. Profit Before Tax

Included in profit before tax for the financial period are the following income/(expense) items:

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30/6/2026 RM'000	30/6/2025 RM'000	30/6/2026 RM'000	30/6/2025 RM'000
Amortisation of government grant	14	14	28	28
Amortisation of intangible assets	(115)	(121)	(230)	(237)
Depreciation of:				
- property, plant and equipment	(7,104)	(7,193)	(14,346)	(13,744)
- right-of-use assets	(1,053)	(1,021)	(2,081)	(1,760)
Fair value adjustment on derivative assets	113	26	90	378
Gains on disposal of property, plant and equipment	-	-	-	38
Interest expense	(595)	(738)	(1,203)	(1,012)
Interest income	1,656	1,738	3,233	3,401
Net gains/(losses) on impairment of:				
- contract assets	117	(104)	491	(115)
- trade receivables	659	(830)	462	(1,103)
Provision for warranties	(1,116)	(2,323)	(1,778)	(3,617)
Provision of inventories written down	12	101	11	101
Realised gains/(losses) on foreign exchange	2,350	(5,774)	(5,096)	(6,591)
Reversal of unused provision for warranties	687	1,264	790	4,062
Share grant expenses	-	(305)	-	(805)
Unrealised gains/(losses) on foreign exchange	1,671	(10,469)	10,879	(12,472)

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