

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2025
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

		Individual Quarter		Cumulative Quarter	
		Current	Corresponding	3 Months	3 Months
		Quarter	Quarter	Cumulative	Cumulative
		Ended	Ended	To Date	To Date
		30-09-25	30-09-24	30-09-25	30-09-24
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		58,445	65,591	58,445	65,591
Operating expenses		(47,186)	(47,296)	(47,186)	(47,296)
Other operating income/(expenses)		1,112	(6,587)	1,112	(6,587)
Profit from operations		12,371	11,708	12,371	11,708
Finance cost		(10)	(10)	(10)	(10)
Profit before tax		12,361	11,698	12,361	11,698
Tax expense	(B6)	(2,312)	(1,960)	(2,312)	(1,960)
Profit after tax, representing total comprehensive income for the period		10,049	9,738	10,049	9,738
Earnings per share (sen)					
(a) Basic	(B13)	6.78	6.57	6.78	6.57
(b) Diluted	(B13)	6.78	6.57	6.78	6.57

(The Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report)

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2025
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited As at 30-09-25	Audited As at 30-06-25
	Note	RM '000	RM '000
ASSETS			
Non-Current Assets			
Property, plant and equipment		202,875	199,101
Investment properties		1,254	1,261
Right-of-use assets		10,094	10,367
		214,223	210,729
Current Assets			
Derivative assets	(B9)	4	32
Inventories		50,382	51,764
Trade receivables		33,643	32,651
Other receivables, deposits and prepayments		2,416	2,580
Tax recoverable		12	10
Fixed deposits with licensed bank		20,774	18,511
Cash and bank balances		51,539	32,176
		158,770	137,724
TOTAL ASSETS		372,993	348,453
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		86,276	86,276
Retained earnings		203,867	193,818
		290,143	280,094
Non-Current Liabilities			
Long term borrowings	(B8)	20,226	1,531
Lease liabilities		82	82
Deferred taxation		5,770	6,179
Deferred income		231	294
		26,309	8,086
Current Liabilities			
Trade payables		13,816	13,277
Other payables and accruals		39,053	44,125
Lease liabilities		724	960
Current tax liabilities		2,948	1,911
		56,541	60,273
Total Liabilities		82,850	68,359
TOTAL EQUITY AND LIABILITIES		372,993	348,453
Net assets per share attributable to ordinary equity holders of the parent (RM)			
	(B14)	1.96	1.89

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report)

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2025
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	3 Months Ended 30-09-25 RM '000	3 Months Ended 30-09-24 RM '000
Cash Flows From Operating Activities		
Profit before taxation	12,361	11,698
Adjustment for:		
Depreciation of property, plant and equipment and investment properties	3,204	3,239
Depreciation of right-of-use assets	273	273
Fair value changes on derivatives financial instrument	28	-
Unrealised (gain)/loss on foreign exchange	(355)	5,684
Provision for inventories obsolescence	80	261
Amortisation of deferred income	(63)	(66)
Gain on disposal of property, plant and equipment	(2)	-
Interest expense	10	10
Interest income	(523)	(869)
Rental income from investment properties	(5)	-
Operating profit before working capital changes	15,008	20,230
Decrease in inventories	1,302	6,004
(Increase)/Decrease in receivables	(343)	373
Decrease in payables	(4,533)	(4,729)
Cash generated from operations	11,434	21,878
Tax paid	(1,696)	(1,568)
Tax refunded	10	14
Net cash from operating activities	9,748	20,324
Cash Flows For Investing Activities		
Interest received	523	869
Purchase of property, plant and equipment	(6,932)	(7,292)
Rental received	5	-
Proceeds from disposal of property, plant and equipment	2	-
Net cash for investing activities	(6,402)	(6,423)

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(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued)

	3 Months Ended 30-09-25 RM '000	3 Months Ended 30-09-24 RM '000
Cash Flows From/(For) Financing Activities		
Repayment of lease liabilities	(236)	(236)
Drawdown of term loan	18,695	-
Interest paid	(49)	(10)
Net cash from/(for) financing activities	<u>18,410</u>	<u>(246)</u>
Net Increase in Cash & Cash Equivalents	21,756	13,655
Effect of Exchange Rate Changes on Cash & Cash Equivalents	(130)	(6,028)
Cash & Cash Equivalents at beginning of the financial period	50,687	66,013
Cash & Cash Equivalents at end of the financial period	<u><u>72,313</u></u>	<u><u>73,640</u></u>
The Cash & Cash Equivalents Comprise The Following:-		
Fixed deposits with licensed bank	20,774	25,270
Cash and bank balances	51,539	48,370
	<u><u>72,313</u></u>	<u><u>73,640</u></u>

(The Condensed Consolidated Statement of Cash Flow should be
read in conjunction with the Audited Financial Statements for the year ended 30 June 2025 and
the accompanying explanatory notes attached to this interim financial report)

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2025
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM '000	Non - distributable Share Option Reserve RM '000	Distributable Retained Profits RM '000	Total RM '000
As at 30 September 2025				
Balance at 1 July 2025	86,276	-	193,818	280,094
Profit after tax, representing total comprehensive income for the year	-	-	10,049	10,049
Balance at 30 September 2025	<u>86,276</u>	<u>-</u>	<u>203,867</u>	<u>290,143</u>
As at 30 September 2024				
As at 1 July 2024	86,276	-	189,163	275,439
Profit after tax, representing total comprehensive income for the year	-	-	9,738	9,738
Balance at 30 September 2024	<u>86,276</u>	<u>-</u>	<u>198,901</u>	<u>285,177</u>

(The Condensed Consolidated Statement of Changes in Equity should be
read in conjunction with the Audited Financial Statements for the year ended 30 June 2025 and
the accompanying explanatory notes attached to this interim financial report)

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 SEPTEMBER 2025

A. Explanatory Notes pursuant to MFRS 134 Interim Financial Reporting

A1. Accounting Policies and Methods of Computation

The interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The figures for the cumulative period in the current quarter to 30 September 2025 have not been audited. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2025.

The material accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2025 except for those mentioned in paragraph A1.1 below.

- A1.1** During the current financial period, the Group has adopted the following new Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) which were effective for the financial periods beginning on or after 1 January 2025:-

MFRSs and IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above Malaysian Financial Reporting Standards and/or IC interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements for the period under review.

- A1.2** The Group has not applied in advance the following Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	01-Jan-27
MFRS 19 Subsidiaries without Public Accountability: Disclosures	01-Jan-27
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	01-Jan-26
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	01-Jan-26
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 19: Subsidiaries without Public Accountability: Disclosures	01-Jan-27
Annual Improvements to MFRS Accounting Standards – Volume 11	01-Jan-26

The adoption of the above-mentioned Malaysian Financial Reporting Standards and IC interpretations (including the consequential amendments, if any), insofar as they are applicable to the Group, is expected to have no material impact on the financial statements of the Group upon their initial application.

A2. Seasonal or Cyclical Factors

The business operation of the Group was not materially affected by any seasonal or cyclical factors.

A3. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting the assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence.

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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There were no changes in estimates reported in prior interim periods of the current financial year or prior financial years which have a material effect in the current interim period.

A5. Issues, Repurchases and Repayments of Debt and Equity Securities

There were no issues, repurchases or repayments of debt and equity securities, for the period ended 30 September 2025.

A6. Dividend Paid

There was no payment of dividend in the current quarter.

A7. Segmental Information

In determining the geographical segments of the Group, sales are based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

The segment information in respect of the Group's operating segments for the period ended 30 September 2025 is as follows:

	Revenue		Non-current assets	
	3 Months		3 Months	
	Ended 30 Sept		Ended 30 Sept	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Malaysia	39,758	38,728	214,223	183,291
Overseas	18,687	26,863	-	-
	<u>58,445</u>	<u>65,591</u>	<u>214,223</u>	<u>183,291</u>

Revenue is recognised at a point in time.

No other segmental information such as segment assets, liabilities and results is presented as the Group is principally engaged in pharmaceutical and healthcare products manufacturing and trading business and operates from Malaysia only.

There is no single customer that contributed 10% or more to the Group's revenue for the current quarter ended 30 September 2025. In the previous quarter ended 30 September 2024, revenue from one major customer with revenue equal to or more than 10% of the Group's total revenue, amounted to RM14.7 million arising from export sales.

A8. Events After the Interim Period

There were no material events after the quarter ended 30 September 2025 and up to 26 November 2025 that have not been reflected in these financial statements.

A9. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring, or discontinuance of operations during the period under review.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets at the end of this reporting period and end of last financial year.

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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The amount committed for the purchase of property, plant and equipment not provided for in the interim financial statements is as follows:

	As at 30-09-25 RM'000	As at 30-09-24 RM'000
Contracted but not provided for	45,929	70,915

A12. Significant Related Party Transactions

The Group's significant related party transactions for the current financial period ended 30 September 2025 are as follows:

	Current Quarter Ended 30 Sept		3 Months Ended 30 Sept	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Companies in which certain key management personnel have significant financial interests:				
- Lease payment on short term leases	2	2	2	2
- Lease payment for right-of-use asset	246	246	246	246
A company in which a close member of the family of certain key management personnel has significant financial interests:				
- Sales of goods	(59)	(79)	(59)	(79)

The above recurrent transactions were entered into based on normal commercial terms.

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B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of the Performance of the Group

	3 Months Ended 30 Sept		Changes %
	2025	2024	
	RM'000	RM'000	
Turnover	58,445	65,591	-10.89%
Profit from operations	12,371	11,708	5.66%
Profit before tax	12,361	11,698	5.67%
Profit after tax (PAT)	10,049	9,738	3.19%
Net PAT margin	17.19%	14.85%	

The Group recorded a 10.89% decrease in turnover for the current quarter ended 30 September 2025 compared to the corresponding 3 months quarter ended 30 September 2024. This decline was primarily due to lower sales of supplement products in the export market.

The Group recorded a profit before tax of RM12.36 million for the current quarter ended 30 September 2025, compared to RM11.70 million in the corresponding quarter of the previous year. This increase in profit before tax was mainly due to a net foreign exchange loss recorded in the corresponding quarter of the previous year, whereas the current quarter recorded a net foreign exchange gain. Further details are provided in Note B12 of this report.

B2. Comparison with Preceding Quarter's Results

	Quarter Ended		Changes %
	30 Sept 2025	30 Jun 2025	
	RM'000	RM'000	
Turnover	58,445	52,425	11.48%
Profit from operations	12,371	11,940	3.61%
Profit before tax	12,361	11,937	3.55%
Profit after tax (PAT)	10,049	9,835	2.18%
Net PAT margin	17.19%	18.76%	

For the quarter ended 30 September 2025, the Group recorded a 11.48% increase in revenue, reaching RM58.45 million compared to RM52.43 million in the preceding quarter. This growth was primarily driven by increased demand for pharmaceutical products in both local and exports markets.

Profit before tax for the current quarter was RM12.36 million, compared to RM11.94 million in the preceding quarter. This growth was primarily driven by stronger sales, which were partially offset by increased spending on advertising and promotion expenditures.

B3. Current Year Prospects

With reference to Bank Negara Malaysia's Monetary Policy Statement issued in November 2025, the Malaysian economy recorded better-than-expected growth, and this positive momentum is anticipated to continue into 2026. The Group maintains a positive outlook on the growth of the Malaysian pharmaceutical industry, supported by demographic trends such as an ageing population and the increasing prevalence of non-communicable diseases. Furthermore, the recent Budget 2026 announcement and initiatives under the national master plan are expected to further reinforce the industry's development prospects. However, this optimistic outlook is subject to downside risks arising from external headwinds, including potentially higher tariffs, escalating geopolitical tensions, and a global shift towards protectionist policies as countries increasingly emphasise local sourcing and supply chain self-sufficiency.

Entering FY2026, the Group remains optimistic while staying cautious to external challenges. The Board remains committed to a vigilant and prudent approach towards decision-making. Supported by consistent demand for its products, the Group anticipates a positive performance for the financial year ending 30 June 2026. The Board will continue to proactively monitor and review the Group's strategic plans in its quest to create sustainable value for shareholders.

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial period.

B5. Statement by Directors

The Group did not disclose or announce any profit forecast or projection in a public document in the current quarter or prior financial period.

B6. Breakdown of Tax Charges

	Quarter Ended 30 Sept		3 Months Ended 30 Sept	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Income tax:				
- Current tax expense	2,721	1,367	2,721	1,367
Deferred Taxation				
- Origination and reversal of temporary differences	(409)	593	(409)	593
Total tax expenses	<u>2,312</u>	<u>1,960</u>	<u>2,312</u>	<u>1,960</u>

The income tax expense is based on the Group's business profit and interest income. The increase in tax expenses for the current quarter ended 30 September 2025, compared to the corresponding quarter in 2024, was primarily due to higher profit before tax and an estimation of lower utilisation of tax incentives for double deductions in the current quarter.

The effective tax rate for the period under review is lower than the standard tax rate mainly due to the availability of tax incentives on double deduction for eligible expenses provided under the Promotion of Investment Act 1986. The Group recognizes tax liabilities based on prevailing tax laws and approved financial reporting standards on deferred taxation.

B7. Status of Corporate Proposals

There were no corporate proposals announced by the Company as at the date of the issue of this quarterly report.

B8. Details of Group Borrowings and Debt Securities

The Group's borrowings as at the end of this financial period were as follows:

	As at 30-09-25 RM'000	As at 30-09-24 RM'000
(a) Long Term Borrowings		
<u>Secured</u>		
Term loan	<u>20,226</u>	<u>-</u>

The Group capitalised interest expenses of RM38,835 (3 months ended 30 September 2024: Nil) that were directly attributable to the construction or acquisition of qualifying property, plant and equipment in accordance with the Group's accounting policy.

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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- (a) Derivative financial instruments are categorised as fair value through profit or loss and measured at their fair value with the changes in fair value recognised in the statement of profit or loss and other comprehensive income at each reporting date. Financial instruments are deployed as risk management tools by the Group and are not used for trading or speculative purposes.

The outstanding Forward Foreign Exchange Contracts as at 30 September 2025 are as follows:

	Contract		
	Amount	Fair Value	
	RM'000	RM'000	
Foreign Exchange Forward Contracts			
- Less than 1 year	2,482	2,478	USD 0.589 million

These forward foreign exchange contracts were entered into to hedge against fluctuations in exchange rates. The settlement dates of these contracts are in between October to November 2025.

- (b) There have been no changes since the end of the previous financial year in respect of the following:
- the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - the related accounting policies.

B10. Material Litigation

There was no material litigation since the financial period ended 30 September 2025 and up to 26 November 2025.

B11. Dividend Declared

No dividend had been proposed in respect of the current financial period ended 30 September 2025.

B12. Profit before tax

	Quarter		3 Months	
	Ended 30 Sept		Ended 30 Sept	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after (crediting)/charging:				
Interest income	(523)	(869)	(523)	(869)
Other income	(72)	(78)	(72)	(78)
Depreciation of property, plant and equipment and investment properties	3,204	3,239	3,204	3,239
Depreciation of right-of-use assets	273	273	273	273
Amortisation of deferred income	(63)	(66)	(63)	(66)
Rental income from investment properties	(5)	-	(5)	-
Gain on disposal of property, plant and equipment	(2)	-	(2)	-
Provision for inventories obsolescence	80	261	80	261
Foreign exchange (gain)/loss				
- realised	(120)	1,916	(120)	1,916
- unrealised	(355)	5,684	(355)	5,684
Fair value changes on derivatives financial instrument	28	-	28	-

There was no gain or loss on disposal of quoted or unquoted investment or properties nor any exceptional items for the current quarter and financial period ended 30 September 2025.

KOTRA INDUSTRIES BERHAD [199901022732 (497632-P)]**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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	Quarter Ended 30 Sept		3 Months Ended 30 Sept	
	2025	2024	2025	2024
(a) Basic Earnings Per Share				
Net Profit attributable to shareholders (RM'000)	<u>10,049</u>	<u>9,738</u>	<u>10,049</u>	<u>9,738</u>
Weighted average number of ordinary shares ('000)	<u>148,314</u>	<u>148,314</u>	<u>148,314</u>	<u>148,314</u>
Basic Earnings per share (sen)	6.78	6.57	6.78	6.57
(b) Diluted Earnings Per Share				
Net Profit attributable to shareholders (RM'000)	<u>10,049</u>	<u>9,738</u>	<u>10,049</u>	<u>9,738</u>
Weighted average number of ordinary shares ('000)	<u>148,314</u>	<u>148,314</u>	<u>148,314</u>	<u>148,314</u>
Diluted Earnings per share (sen)	6.78	6.57	6.78	6.57

B14. Net assets per share

	Unaudited As at 30-09-25	Audited As at 30-06-25
Number of ordinary shares issued ('000)	<u>148,314</u>	<u>148,314</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.96</u>	<u>1.89</u>

B15. Audit Report

The auditors' report on the Group's annual financial statements for the year ended 30 June 2025 did not contain any qualification.

BY ORDER OF THE BOARD**CHUA SIEW CHUAN**
Secretary

Date : 27 November 2025