



LEADER STEEL HOLDINGS BERHAD
(Registration No. 199301012471 (267209-K))
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	NOTE	CURRENT QUARTER ENDED 31 DEC			CUMULATIVE PERIOD ENDED 31 DEC		
		2025	2024	Changes (%)	2025	2024	Changes (%)
		RM'000 (Unaudited)	RM'000 (Audited)		RM'000 (Unaudited)	RM'000 (Audited)	
Continuing operations							
Revenue		47,766	91,132	-48	157,035	218,404	-28
Cost of sales		<u>(42,150)</u>	<u>(91,513)</u>		<u>(145,802)</u>	<u>(210,326)</u>	
Gross profit/(loss)		5,616	(381)	<i>1573</i>	11,233	8,078	<i>39</i>
Other income		737	1,388		2,940	17,014	
Distribution expenses		(1,230)	(886)		(3,940)	(3,310)	
Administrative expenses		(3,800)	(2,215)		(12,232)	(17,907)	
Finance costs		<u>(413)</u>	<u>(369)</u>		<u>(1,503)</u>	<u>(2,141)</u>	
Profit/(Loss) before tax	A7	910	(2,463)	<i>137</i>	(3,502)	1,734	<i>-302</i>
Tax expenses	B5	1,126	1,177		1,181	498	
PROFIT/(LOSS) FOR THE YEAR, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS)		2,036	(1,286)	<i>258</i>	(2,321)	2,232	<i>-204</i>
Net profit/(loss) for the financial year attributable to:-							
Equity holders of the company		2,039	(1,283)		(2,313)	2,240	
Non-controlling interests		<u>(3)</u>	<u>(3)</u>		<u>(8)</u>	<u>(8)</u>	
NET PROFIT/(LOSS)		2,036	(1,286)		(2,321)	2,232	
Total comprehensive income/(loss) for the financial year attributable to:-							
Equity holders of the company		2,039	(1,283)		(2,313)	2,240	
Non-controlling interests		<u>(3)</u>	<u>(3)</u>		<u>(8)</u>	<u>(8)</u>	
TOTAL COMPREHENSIVE INCOME/(LOSS)		2,036	(1,286)		(2,321)	2,232	
Basic earnings/(loss) per share (sen)	B11(a)	<u>1.32</u>	<u>(0.83)</u>		<u>(1.50)</u>	<u>1.45</u>	
Diluted earnings/(loss) per share (sen)	B11(b)	<u>1.32</u>	<u>(0.83)</u>		<u>(1.50)</u>	<u>1.45</u>	

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2024.



LEADER STEEL HOLDINGS BERHAD
(Registration No. 199301012471 (267209-K))
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	NOTE	31 DEC 2025	31 DEC 2024
		RM'000	RM'000
		(Unaudited)	(Audited)
ASSETS			
Property, plant and equipment		260,305	255,290
Investment properties		52,000	52,000
Right-of-use assets		34,076	37,298
Goodwill		58	58
TOTAL NON-CURRENT ASSETS		346,439	344,646
Inventories		28,419	42,115
Receivables, deposits and prepayments		32,539	31,536
Current tax assets		2,375	1,878
Cash and bank balances		14,745	25,262
Other investments	B8	17,442	16,046
TOTAL CURRENT ASSETS		95,520	116,837
TOTAL ASSETS		441,959	461,483
EQUITY			
Share capital		75,028	75,028
Treasury shares		(2,419)	(2,419)
Reserves		268,678	270,991
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		341,287	343,600
Non-controlling interests		29	37
TOTAL EQUITY		341,316	343,637
LIABILITIES			
Borrowings	B9	18,202	20,686
Lease liabilities		35	209
Deferred tax liabilities		30,351	31,816
TOTAL NON-CURRENT LIABILITIES		48,588	52,711
Trade, other payables and accruals		8,047	17,631
Borrowings	B9	43,823	47,057
Lease liabilities		182	379
Current tax liabilities		3	68
TOTAL CURRENT LIABILITIES		52,055	65,135
TOTAL LIABILITIES		100,643	117,846
TOTAL EQUITY AND LIABILITIES		441,959	461,483
Net Assets Per Share (Sen)		221	222

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2024.



LEADER STEEL HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	31 DEC 2025 RM'000	31 DEC 2024 RM'000
(Loss)/Profit before tax	(3,502)	1,734
Adjustments for:		
Depreciation and amortisation	5,518	5,906
Impairment losses on property, plant and equipment	265	5,429
Interest expenses	1,503	2,141
Interest income	(77)	(77)
Inventories written off	0	999
Inventories written down	108	0
Impairment losses on trade receivables	91	(548)
Unrealised gain on foreign exchange	(220)	(22)
Distribution income from other investments	(404)	(600)
Fair value gain on other investments	(2)	(10)
Gain on lease termination	(0)	(1)
Gain on disposal of property, plant and equipment	(24)	(3,440)
Operating profit before working capital changes	3,256	11,511
Changes in:-		
Inventories	13,588	3,640
Receivables, deposits and prepayments	(1,094)	12,141
Trade, other payables and accruals	(9,362)	(1,038)
Cash generated from operations	6,388	26,254
Tax paid	(847)	(2,082)
Tax refunded	0	15
Interest paid	(1,504)	(2,102)
Interest received	77	77
Net cash from operating activities	4,114	22,162
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	24	33,240
Purchase of property, plant and equipment	(7,568)	(15,702)
Purchase of right-of-use assets	0	(72)
Net investment in other investments	(990)	(15,436)
Net cash (used in)/from investing activities	(8,534)	2,030
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in short-term loans and borrowings	(3,223)	(23,919)
Dividends paid	0	(3,094)
Purchase of treasury shares	0	(209)
Payments of lease liabilities	(378)	(824)
Proceeds from issuance of share	0	267
Repayments of term loans	(2,484)	(1,815)
Proceed from term loans	0	24,690
Net cash used in financing activities	(6,085)	(4,904)
Currency translation differences	(1)	4
Net (decrease)/increase in cash and cash equivalents	(10,506)	19,292
Cash and cash equivalents brought forward	25,251	5,959
Cash and cash equivalents carried forward	14,745	25,251
<u>Cash and cash equivalents carried forward</u>		
Cash and cash equivalents	14,745	25,262
Bank overdrafts	0	(11)
	14,745	25,251



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	Attributable to equity holders of the Company							Total Equity RM'000
	Share Capital RM'000	Revaluation Surplus RM'000	Employee share option reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non- Controlling Interests RM'000	
Balance as at 1 January 2025	75,028	174,000	1,034	(2,419)	95,957	343,600	37	343,637
Loss for the financial year	0	0	0	0	(2,313)	(2,313)	(8)	(2,321)
Total comprehensive loss for the year	0	0	0	0	(2,313)	(2,313)	(8)	(2,321)
Transactions with owners								
Purchase of treasury shares	0	0	0	0	0	0	0	0
Share options lapsed	0	0	(11)	0	11	0	0	0
Total transactions with owners	0	0	(11)	0	11	0	0	0
Balance as at 31 December 2025	75,028	174,000	1,023	(2,419)	93,655	341,287	29	341,316

	Attributable to equity holders of the Company							Total Equity RM'000
	Share Capital RM'000	Revaluation Surplus RM'000	Employee share option reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non- Controlling Interests RM'000	
Balance as at 1 January 2024	74,654	197,358	1,153	(2,210)	73,441	344,396	45	344,441
Profit for the financial year	0	0	0	0	2,240	2,240	(8)	2,232
Realisation of revaluation reserve	0	(23,358)	0	0	23,358	0	0	0
Total comprehensive (loss)/income for the year	0	(23,358)	0	0	25,598	2,240	(8)	2,232
Transactions with owners								
Dividends paid	0	0	0	0	(3,094)	(3,094)	0	(3,094)
Purchase of treasury shares	0	0	0	(209)	0	(209)	0	(209)
Issuance of ordinary shares pursuant to ESOS	374	0	(107)	0	0	267	0	267
Share options lapsed	0	0	(12)	0	12	0	0	0
Total transactions with owners	374	0	(119)	(209)	(3,082)	(3,036)	0	(3,036)
Balance as at 31 December 2024	75,028	174,000	1,034	(2,419)	95,957	343,600	37	343,637

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2024

LEADER STEEL HOLDINGS BERHAD

(Registration No. 199301012471 (267209-K))

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A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards 134 (MFRS 134): “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited consolidated financial statements of the Leader Steel Holdings Berhad and its subsidiaries (“the Group”) for the financial year ended 31 December 2024.

Adoption of Standards, Amendments and Issues Committee (“IC”) Interpretations and changes in accounting policies

During the financial period, the Group has adopted the following Standards, Amendments and IC Interpretations:

Amendments to MFRS 121 *Lack of Exchangeability*

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

Standards issued but not yet effective

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been earlier adopted by the Group:

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

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for future financial periods.

A2. Seasonal or Cyclical Factors

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

A3. Unusual Items

There were no items of unusual nature, size or incidence which affect assets, liabilities, equity, net income or cash flows during the current quarter under review.

A4. Changes in Accounting Estimates

There were no changes in accounting estimates of amounts reported in prior year that have a material effect in the current quarter under review.

A5. Debts and Equity or Securities

There were no issuance, cancellations, resale and repayment of debt and equity securities for the current quarter and period under review.

A6. Dividend

No dividend has been paid or proposed for the current quarter under review.

A7. Profit/(Loss) before tax

Current Quarter Ended		Cumulative Period Ended	
31-Dec 2025	31-Dec 2024	31-Dec 2025	31-Dec 2024
RM'000	RM'000	RM'000	RM'000

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

Depreciation and amortisation	1,382	1,484	5,518	5,906
Interest expense	413	369	1,503	2,141
Foreign exchange loss	417	667	576	877
Unrealised foreign exchange loss/(gain)	56	(808)	56	20
Inventories written off	0	(1)	0	999
Inventories written down	108	0	108	0
Impairment losses on				
- property, plant and equipment	265	429	265	5,429
- trade receivables	91	0	91	0

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A7. Profit/(Loss) before tax (Cont'd)

	Current Quarter Ended		Cumulative Period Ended	
	31-Dec 2025	31-Dec 2024	31-Dec 2025	31-Dec 2024
	RM'000	RM'000	RM'000	RM'000
Other income				
- Rental income	(228)	(631)	(1,895)	(2,768)
- Gain on disposal of property, plant and equipment	(24)	(2)	(24)	(3,440)
- Compensation received	0	0	0	(9,321)
- Reversal of impairment losses on trade receivables	0	(548)	0	(548)
- Interest income	(31)	(29)	(77)	(77)
- Distribution of income from other investments	(147)	(190)	(404)	(600)
- Foreign exchange (gain)/loss	(7)	86	(84)	0
- Unrealised foreign exchange gain	(276)	(42)	(276)	(42)
- Others	(24)	(32)	(180)	(218)
	(737)	(1,388)	(2,940)	(17,014)

A8. Segment Information

Segmental reporting for the cumulative period ended 31 December 2025 is as below:

Cumulative Period Ended 31 December 2025	Manufacturing & Trading of Steel Products ("Steel Segment") RM'000	Trading & Processing of Minerals ("Mineral Segment") RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
- External	150,190	6,845	0	157,035
Total Revenue	150,190	6,845	0	157,035
Results				
Operating profit	4,836	56	(909)	3,983
Depreciation and amortisation	(5,804)	(211)	497	(5,518)
Impairment losses on				
- property, plant and equipment	(265)	0	0	(265)
- trade receivables	(91)	0	0	(91)
Inventories written down	(108)	0	0	(108)
Finance cost	(1,936)	(15)	448	(1,503)
Tax expenses	1,197	(16)	0	1,181
Segment loss	(2,171)	(186)	36	(2,321)

A8. Segment Information (Cont'd)

Segmental reporting for the cumulative period ended 31 December 2025 is as below:

Cumulative Period Ended 31 December 2024	Manufacturing & Trading of Steel Products ("Steel Segment") RM'000	Trading & Processing of Minerals ("Mineral Segment") RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
- External	201,807	16,597	0	218,404
Total Revenue	201,807	16,597	0	218,404
Results				
Operating profit	17,665	847	(15,064)	3,448
Depreciation and amortisation	(6,153)	(237)	484	(5,906)
Gain on disposal of property, plant and equipment	3,440	0	0	3,440
Compensation received	9,321	0	0	9,321
Impairment losses on property, plant and equipment	(5,429)	0	0	(5,429)
Inventories written off	0	(999)	0	(999)
Finance cost	(3,669)	(32)	1,560	(2,141)
Tax expenses	530	(32)	0	498
Segment profit/(loss)	15,705	(453)	(13,020)	2,232

A9. Events after the Interim Period

There were no subsequent events to the interim period.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period.

A11. Capital Commitment

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Capital expenditure in respect of purchase of property, plant and equipment: Contracted but not provided for	0	7,600

A12. Changes in Contingent Liabilities

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Unsecured		
Corporate guarantees given to banks for credit facilities granted to		
- subsidiaries	<u>209,094</u>	<u>212,180</u>
Amount utilised		
- subsidiaries	<u>62,025</u>	<u>67,743</u>

A13. Significant Recurrent Related Party Transactions

Companies in which certain directors are deemed to have substantial financial interests	Cumulative Period ended 31 December 2025
Eonmetall Group Berhad and its subsidiaries	RM'000
Sales and purchases of goods	507
Rental income	893
Maintenance fees	61

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Current quarter compared to the corresponding quarter of previous year

For the Quarter

The Group recorded a revenue of RM47.77 million for the current quarter, a decrease of RM43.36 million from RM91.13 million in the same quarter last year.

Revenue for the Steel Segment amounted to RM45.21 million, down RM41.23 million from RM86.44 million in the corresponding quarter last year. The decline was largely due to reduced demand.

Revenue from the Mineral Segment was RM2.55 million, compared to RM4.69 million in the same quarter last year. The decrease was mainly driven by a lower quantity of minerals shipped.

The Group recorded a profit before tax of RM0.91 million, compared to a loss of RM2.46 million in the same quarter last year. Gross profit improved from a loss of RM0.38 million in Q4 2024 to a profit of RM5.62 million in the current quarter. The improvement in gross profit margin is due mainly to a steadier international steel price.

For year to date

The Group recorded revenue of RM157.04 million for the year ended 31 December 2025, a decrease of RM61.36 million or 28.1% from RM218.40 million in the same period last year, primarily due to lower sales across both segments, particularly the Steel Segment.

Revenue for Steel Segment declined mainly due to lower selling prices and reduced sales volume. Revenue for Mineral Segment decreased due to lower sales volume, partially offset by higher selling prices.

The Group recorded a loss before tax of RM3.50 million for the year, compared to a profit before tax of RM1.73 million in the preceding year, representing a decline of RM5.23 million. The decrease was mainly due to lower rental income and the absence of a one-off RM12.8 million gain from disposal of property, plant and equipment recognised in the preceding year. This was partially offset by improved gross profit margins, significantly lower impairment losses and inventory write-offs compared with the preceding year.

B2. Current quarter compared to the preceding quarter

	Current Quarter ended 31 Dec 2025 RM'000	Preceding Quarter Ended 30 Sep 2025 RM'000	Changes (%)
Revenue	47,766	45,951	3.9%
Gross Profit	5,616	3,634	54.5%
Profit/(Loss) Before Tax	910	(336)	370.8%

B2. Current quarter compared to the preceding quarter (Cont'd)

The Group recorded revenue of RM47.77 million, up RM1.82 million or 3.96% from RM45.95 million in the preceding quarter, mainly due to higher sales in steel segments driven by increased demand.

The Steel Segment recorded revenue of RM45.21 million for the current quarter, up from RM41.66 million in the preceding quarter, marking an increase of RM3.55 million or 8.52%. This growth in revenue was driven by higher volume of sales.

The Mineral Segment recorded revenue of RM2.55 million for the current quarter, up from RM4.29 million in the preceding quarter, marking a decrease of RM1.74 million or 40.56%. The decrease was due to lower quantity shipped and decrease in selling price.

The Group posted a profit before tax of RM0.91 million, compared to loss of RM0.34 million in the preceding quarter, representing a reduced loss of RM1.25 million, or 367.65%. The improvement was mainly due to higher profit margins.

B3. Prospects

A number of factors will shape the development in steel industry in financial year 2026. This includes the increase in operation costs brought by the electricity tariffs, increased transport costs, fluctuations in international steel prices, and foreign exchange rates.

The Group will also need to realign the growth map to benefit from the impact of the Steel Industry Roadmap 2035 which was introduced by the Ministry of Investment, Trade and Industry(MITI) in September 2025.

The Group continues to apply vigilance in managing its resources to deliver positive results in 2026.

B4. Profit Forecast

Not applicable as no profit forecast was issued.

B5. Tax expenses

	Current Quarter		Cumulative Period	
	ended 31 Dec		ended 31 Dec	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
- Current tax	(339)	419	(358)	(290)
- Prior year tax	0	0	74	30
- Deferred tax	1,465	758	1,465	758
Total tax expenses	1,126	1,177	1,181	498

Income tax is calculated at the Malaysian statutory tax rate of 24%.

B6. Audit Report

The audited report of the preceding annual financial statements ended 31 December 2024 was not subject to any qualification.

B7. Status of Corporate Proposal Announced

There are no other corporate proposals announced but not completed as at the date of issue of this announcement.

B8. Other investments

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Current		
Short-term funds	<u>17,442</u>	<u>16,046</u>

B9. Borrowings

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Current		
<i>Secured</i>		
Banker overdraft	0	11
Bankers' acceptances	41,354	44,577
Term loans	<u>2,469</u>	<u>2,469</u>
	<u>43,823</u>	<u>47,057</u>
Non-current		
<i>Secured</i>		
Term loans	<u>18,202</u>	<u>20,686</u>
	<u>18,202</u>	<u>20,686</u>

Borrowings which are denominated in RM are subject to floating interest rate.

Interest expenses amounting to RM1.2 million were capitalised under property, plant and equipment during the cumulative period ended 31 December 2025.

B10. Changes in Material Litigation

There were no material litigations as at the date of this announcement.

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B11. Earnings per Share (“EPS”)**(a) Basic earnings/(loss) per share**

	Current Quarter Ended 31-Dec		Cumulative Period Ended 31-Dec	
	2025	2024	2025	2024
Net earnings/(loss) attributable to ordinary equity holders of the Company (RM'000)	2,039	(1,283)	(2,313)	2,240
Weighted average number of ordinary shares ('000)	154,588	154,552	154,588	154,588
Basic earning/(loss) per share (sen)	1.32	(0.83)	(1.50)	1.45

(b) Diluted earnings/(loss) per share

	Current Quarter Ended 31-Dec		Cumulative Period Ended 31-Dec	
	2025	2024	2025	2024
Net earnings/(loss) attributable to ordinary equity holders of the Company (RM'000)	2,039	(1,283)	(2,313)	2,240
Weighted average number of ordinary shares ('000)	154,588	154,552	154,588	154,588
Adjustment for dilutive effect of ESOS ('000)	0	245	0	245
	154,588	154,797	154,588	154,833
Diluted earning/(loss) per share (sen)	1.32	(0.83)	(1.50)	1.45

By the order of the Board

Datin Tan Pak Say
Managing Director
Penang

26 February 2026