



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 PERIOD ENDED 31 MARCH 2026**

	NOTE	CURRENT QUARTER ENDED 31 MAR			CUMULATIVE PERIOD ENDED 31 MAR		
		2026	2025	Changes (%)	2026	2025	Changes (%)
		RM'000 (Unaudited)	RM'000 (Unaudited)		RM'000 (Unaudited)	RM'000 (Unaudited)	
Continuing operations							
Revenue		42,376	31,435	35	42,376	31,435	35
Cost of sales		(38,832)	(30,503)		(38,832)	(30,503)	
Gross profit		3,544	932	280	3,544	932	280
Other operating income		4	182		4	182	
Distribution and selling expenses		(1,126)	(770)		(1,126)	(770)	
Other operating expenses		(227)	(9)		(227)	(9)	
General and administrative expenses		(3,033)	(2,547)		(3,033)	(2,547)	
Operating loss		(838)	(2,212)	62	(838)	(2,212)	62
Rental income from investment properties		223	379		223	379	
Rental income		9	340		9	340	
Interest income		31	16		31	16	
Fair value gains on investments		2	0		2	0	
Income from other investments		89	20		89	20	
Loss before financing and income taxes		(484)	(1,457)		(484)	(1,457)	
Interest expenses on borrowings and lease liabilities		(448)	(385)		(448)	(385)	
Loss before income taxes	A7	(932)	(1,842)	49	(932)	(1,842)	49
Income tax expense	B5	(118)	(5)		(118)	(5)	
LOSS FOR THE PERIOD REPRESENTING TOTAL COMPREHENSIVE LOSS		<u>(1,050)</u>	<u>(1,847)</u>		<u>(1,050)</u>	<u>(1,847)</u>	
Net loss for the financial period attributable to:-							
Equity holders of the company		(1,048)	(1,846)		(1,048)	(1,846)	
Non-controlling interests		(2)	(1)		(2)	(1)	
NET LOSS		<u>(1,050)</u>	<u>(1,847)</u>		<u>(1,050)</u>	<u>(1,847)</u>	
Total comprehensive loss for the financial period attributable to:-							
Equity holders of the company		(1,048)	(1,846)		(1,048)	(1,846)	
Non-controlling interests		(2)	(1)		(2)	(1)	
TOTAL COMPREHENSIVE LOSS		<u>(1,050)</u>	<u>(1,847)</u>		<u>(1,050)</u>	<u>(1,847)</u>	
Basic loss per share (sen)	B11	<u>(0.68)</u>	<u>(1.19)</u>		<u>(0.68)</u>	<u>(1.19)</u>	
Diluted loss per share (sen)	B11	<u>(0.68)</u>	<u>(1.19)</u>		<u>(0.68)</u>	<u>(1.19)</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 2025.



LEADER STEEL HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	NOTE	31 MAR 2026 RM'000 (Unaudited)	31 DEC 2025 RM'000 (Audited)
ASSETS			
Property, plant and equipment		261,353	260,305
Investment properties		52,000	52,000
Right-of-use assets		33,739	34,076
Goodwill		58	58
TOTAL NON-CURRENT ASSETS		347,150	346,439
Inventories		29,139	28,419
Receivables, deposits and prepayments		82,318	32,540
Current tax assets		1,715	2,375
Cash and bank balances		32,743	14,745
Other investments	B8	10,743	17,442
TOTAL CURRENT ASSETS		156,658	95,521
TOTAL ASSETS		503,808	441,960
EQUITY			
Share capital		75,028	75,028
Treasury shares		(2,419)	(2,419)
Reserves		267,631	268,679
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		340,240	341,288
Non-controlling interests		27	29
TOTAL EQUITY		340,267	341,317
LIABILITIES			
Borrowings	B9	17,582	18,202
Lease liabilities		19	35
Deferred tax liabilities		30,351	30,351
TOTAL NON-CURRENT LIABILITIES		47,952	48,588
Trade, other payables and accruals		64,078	8,047
Borrowings	B9	51,361	43,823
Lease liabilities		148	182
Current tax liabilities		2	3
TOTAL CURRENT LIABILITIES		115,589	52,055
TOTAL LIABILITIES		163,541	100,643
TOTAL EQUITY AND LIABILITIES		503,808	441,960
Net Assets Per Share (Sen)		220	221

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 2025.



LEADER STEEL HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

	31 MAR 2026	31 MAR 2025
	RM'000	RM'000
Loss before tax	(932)	(1,842)
Adjustments for:		
Depreciation and amortisation	1,373	1,383
Interest expenses	448	385
Interest income	(31)	(16)
Unrealised gain on foreign exchange	0	(21)
Distribution income from other investments	(89)	(20)
Fair value gain on other investments	(2)	0
Operating profit/(loss) before working capital changes	767	(131)
Changes in:-		
Inventories	(720)	8,721
Receivables, deposits and prepayments	(49,778)	6,116
Trade, other payables and accruals	56,031	(8,657)
Cash generated from operations	6,300	6,049
Tax paid	541	(206)
Interest paid	(448)	(385)
Interest received	31	16
Net cash from operating activities	6,424	5,474
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,084)	(3,019)
Net investment in other investments	6,790	11,029
Net cash from investing activities	4,706	8,010
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in short-term loans and borrowings	7,538	(16,511)
Payments of lease liabilities	(50)	(136)
Repayments of term loans	(620)	(729)
Net cash from/(used in) financing activities	6,868	(17,376)
Currency translation differences	0	0
Net increase/(decrease) in cash and cash equivalents	17,998	(3,892)
Cash and cash equivalents brought forward	14,745	25,251
Cash and cash equivalents carried forward	32,743	21,359
<u>Cash and cash equivalents carried forward</u>		
Cash and cash equivalents	32,743	21,381
Bank overdrafts	0	(22)
	32,743	21,359



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

	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 2026	75,028	174,000	862	(2,419)	93,817	341,288	29	341,317
Loss for the financial year	0	0	0	0	(1,048)	(1,048)	(2)	(1,050)
Realisation of revaluation reserve	0	0	0	0	0	0	0	0
Total comprehensive loss for the year	0	0	0	0	(1,048)	(1,048)	(2)	(1,050)
Transactions with owners								
Purchase of treasury shares	0	0	0	0	0	0	0	0
Total transactions with owners	0	0	0	0	0	0	0	0
Balance as at 31 March 2026	75,028	174,000	862	(2,419)	92,769	340,240	27	340,267

	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	(1,846)	(1,846)	(1)	(1,847)
Total comprehensive loss for the year	0	0	0	0	(1,846)	(1,846)	(1)	(1,847)
Transactions with owners								
Purchase of treasury shares	0	0	0	0	0	0	0	0
Total transactions with owners	0	0	0	0	0	0	0	0
Balance as at 31 March 2025	75,028	174,000	1,034	(2,419)	94,111	341,754	36	341,790

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 2025

LEADER STEEL HOLDINGS BERHAD

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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 2025.

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 2025.

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 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*

Annual Improvements to MFRS Accounting Standards-Volume 11

Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature - dependent Electricity*

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
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 121 <i>Translation to Hyperinflationary Presentation Currency</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-Mar 2026	31-Mar 2025	31-Mar 2026	31-Mar 2025
RM'000	RM'000	RM'000	RM'000

Loss before tax is arrived at after charging

Depreciation and amortisation	1,373	1,383	1,373	1,383
Interest expense	448	385	448	385
Foreign exchange loss	227	9	227	9
Other income				
- Rental income	(232)	(719)	(232)	(719)
- Interest income	(31)	(16)	(31)	(16)
- Distribution of income from other investments	(89)	(20)	(89)	(20)
- Unrealised foreign exchange gain	0	(21)	0	(21)
- Foreign exchange gain	0	(27)	0	(27)
- Others	(6)	(134)	(6)	(134)
	<u>(358)</u>	<u>(937)</u>	<u>(358)</u>	<u>(937)</u>

A8. Segment Information

Segmental reporting for the cumulative period ended 31 March 2026 is as below:

Cumulative Period Ended 31 March 2026	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	39,964	2,412	0	42,376
Total Revenue	39,964	2,412	0	42,376
Results				
Operating profit	883	6	0	889
Depreciation and amortisation	(1,330)	(43)	0	(1,373)
Finance cost	(447)	(1)	0	(448)
Tax expenses	(118)	0	0	(118)
Segment loss	(1,012)	(38)	0	(1,050)
31 March 2025				
Revenue				
- External	31,435	0	0	31,435
Total Revenue	31,435	0	0	31,435
Results				
Operating profit/(loss)	93	(167)	0	(74)
Depreciation and amortisation	(1,331)	(52)	0	(1,383)
Finance cost	(382)	(3)	0	(385)
Tax expenses	(5)	0	0	(5)
Segment profit/(loss)	(1,625)	(222)	0	(1,847)

A9. Events after the Interim Period

Save as disclosed below, there were no subsequent events to the interim period :-

- (a) On 13 April 2026, the Company granted 19,227,000 ESOS options at an exercise price of RM0.3700 per share to eligible employees.

A10. Changes in the Composition of the Group

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

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A11. Capital Commitment

There is no commitment in respect of capital expenditure on property, plant and equipment for current quarter.

A12. Changes in Contingent Liabilities

	As at 31.03.2026 RM'000	As at 31.12.2025 RM'000
Unsecured		
Corporate guarantees given to banks for credit facilities granted to		
- subsidiaries	<u>209,094</u>	<u>209,094</u>
 Amount utilised		
- subsidiaries	<u>68,943</u>	<u>62,025</u>

A13. Significant Recurrent Related Party Transactions

Companies in which certain directors are deemed to have substantial financial interests	Cumulative Period ended 31 March 2026
Eonmetall Group Berhad and its subsidiaries	RM'000
Sales and purchases of goods	256
Rental income	223
Maintenance fees	8

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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 revenue of RM42.38 million for the current quarter, representing an increase of RM10.94 million from RM31.44 million in the same quarter last year.

Revenue from the Steel Segment amounted to RM39.97 million, an increase of RM8.53 million from RM31.44 million in the corresponding quarter last year, mainly due to improved demand despite a drop in selling price.

Revenue from the Mineral Segment was RM2.41 million, while no revenue was recorded in the same quarter last year due to the timing of delivery.

The Group recorded a loss before tax of RM0.93 million, compared to a loss of RM1.84 million in the same quarter last year. Gross profit improved from RM0.93 million in Q1 2025 to RM3.54 million in the current quarter. The improvement in gross profit margin was mainly due to stabilising international steel prices. However, the gain was partially offset by significantly higher transportation costs arising from higher fuel prices, partly driven by geopolitical tensions, as well as higher professional fees, higher payroll costs, and lower rental income.

B2. Current quarter compared to the preceding quarter

	Current Quarter ended 31 Mar 2026 RM'000	Preceding Quarter Ended 31 Dec 2025 RM'000	Changes (%)
Revenue	42,376	47,766	-11.28%
Gross Profit	3,544	5,616	-36.89%
(Loss)/Profit Before Tax	(932)	910	-202.20%

The Group recorded revenue of RM42.38 million, representing a decrease of RM5.39 million or 11.28% from RM47.77 million in the preceding quarter, mainly due to lower sales in the Steel Segment driven by decreased demand.

The Steel Segment recorded revenue of RM39.97 million for the current quarter, down from RM45.21 million in the preceding quarter, marking a decrease of RM5.24 million or 11.59%. This decrease was driven by fewer operation days during festive season of Chinese New Year and Hari Raya Aidilfitri, resulting in softer customer demand.

The Mineral Segment recorded revenue of RM2.41 million for the current quarter, down from RM2.55 million in the preceding quarter, representing a decrease of RM0.14 million or 5.49%. The decrease was due to lower quantity shipped.

The Group posted a loss before tax of RM0.93 million, compared to a profit before tax of RM0.91 million in the preceding quarter, representing a decline of RM1.84 million or 202.20%. The decline was mainly due to lower gross profit.

B3. Prospects

Several factors will shape the performance of the steel industry in financial year 2026, including electricity tariffs, diesel prices, transportation costs, fluctuations in international steel prices, and foreign exchange rates. Ongoing geopolitical tensions, particularly in the Middle East, continue to add uncertainty to global energy prices and supply chain costs.

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

If the proposed disposal of land (see B7(a)) is completed as planned, a gain on disposal of land will be recognised in the second half of 2026.

The Group will also account for ESOS expenses in Quarter 2 of 2026 in respect of ESOS issued on 13 April 2026 (seeA9(a)).

B4. Profit Forecast

Not applicable as no profit forecast was issued.

B5. Tax expenses

	Current Quarter ended 31 Mar		Cumulative Period ended 31 mar	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
- Current tax	(118)	(5)	(118)	(5)
- Prior year tax	0	0	0	0
- Deferred tax	0	0	0	0
Total tax expenses	(118)	(5)	(118)	(5)

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 2025 was not subject to any qualification.

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B7. Status of Corporate Proposal Announced

Save as disclosed below, there was no corporate proposal announced and not completed as at the date of this announcement: -

- (a) On 19 March 2026, a subsidiary of the Company has entered into a conditional sale and purchase agreement with WG Malaysia VIII Sdn. Bhd. in relation to the proposed disposal of a parcel of freehold land measuring approximately 1,437,477 square feet located in Mukim Kapar, Daerah Klang, Negeri Selangor for a cash consideration of approximately RM136.56 million.

The completion of the sale of land is subject to approval from the non-interested shareholders and the relevant authorities, in accordance with the requirements for a related party transaction under the Listing Requirements.

B8. Other investments

	As at 31.03.2026 RM'000	As at 31.12.2025 RM'000
Current		
Short-term funds	10,743	17,442

B9. Borrowings

	As at 31.03.2026 RM'000	As at 31.12.2025 RM'000
Current		
<i>Secured</i>		
Bankers' acceptances	48,892	41,354
Term loans	2,469	2,469
	51,361	43,823
Non-current		
<i>Secured</i>		
Term loans	17,582	18,202
	17,582	18,202

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

Interest expenses amounting to RM0.3 million were capitalised under property, plant and equipment during the cumulative period ended 31 March 2026.

B10. Changes in Material Litigation

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

B11. Basic and Diluted Earnings per share (“EPS”)

	Current Quarter Ended 31-Mar		Cumulative Period Ended 31-Mar	
	2026	2025	2026	2025
Net loss attributable to ordinary equity holders of the Company (RM'000)	(1,048)	(1,846)	(1,048)	(1,846)
Weighted average number of ordinary shares ('000)	154,588	154,588	154,588	154,588
Basic loss per share (sen)	(0.68)	(1.19)	(0.68)	(1.19)

Diluted earnings per ordinary share is the same as basic earnings per ordinary shares as there is no dilutive potential ordinary share outstanding during the period.

By the order of the Board

Datin Tan Pak Say
Managing Director
Penang

26 May 2026