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 30 JUNE 2026

	NOTE	CURRENT QUARTER ENDED 30 JUNE 2026 RM'000 (Unaudited)	CURRENT QUARTER ENDED 30 JUNE 2025 RM'000 (Unaudited)	*Changes (%)*	CUMULATIVE PERIOD ENDED 30 JUNE 2026 RM'000 (Unaudited)	CUMULATIVE PERIOD ENDED 30 JUNE 2025 RM'000 (Unaudited)	*Changes (%)*
Continuing operations							
Revenue		61,721	31,883	*94*	104,097	63,318	*64*
Cost of sales		(54,266)	(30,832)		(93,098)	(61,335)	
Gross profit		7,455	1,051	*609*	10,999	1,983	*455*
Other operating income	A7	142	(24)		146	158	
Distribution and selling expenses		(1,406)	(782)		(2,532)	(1,552)	
Other operating expenses		(57)	(63)		(284)	(72)	
General and administrative expenses		(4,268)	(2,896)		(7,301)	(5,443)	
Operating profit/(loss)		1,866	(2,714)	*n.m.*	1,028	(4,926)	*n.m.*
Rental income		235	610		467	1,329	
Interest income		63	34		94	50	
Fair value gain on other investments		349	0		351	0	
Distribution income from other investments		97	141		186	161	
Profit/(Loss) before financing and income taxes		2,610	(1,929)		2,126	(3,386)	
Interest expenses on borrowings and lease liabilities		(472)	(305)		(920)	(690)	
Profit/(Loss) before income taxes	A7	2,138	(2,234)	*n.m.*	1,206	(4,076)	*n.m.*
Income tax expense	B5	(624)	(6)		(742)	(11)	
PROFIT/(LOSS) FOR THE PERIOD REPRESENTING TOTAL COMPREHENSIVE PROFIT/(LOSS)		1,514	(2,240)		464	(4,087)	
Net loss for the financial period/(loss) attributable to:-							
Equity holders of the company		1,516	(2,237)		468	(4,083)	
Non-controlling interests		(2)	(3)		(4)	(4)	
NET PROFIT/(LOSS) FOR THE PERIOD		1,514	(2,240)		464	(4,087)	
Total comprehensive profit/(loss) for the financial period attributable to:-							
Equity holders of the company		1,516	(2,237)		468	(4,083)	
Non-controlling interests		(2)	(3)		(4)	(4)	
TOTAL COMPREHENSIVE PROFIT/(LOSS)		1,514	(2,240)		464	(4,087)	
Basic earnings/(loss) per share (sen)	B12(a)	0.98	(1.45)		0.30	(2.64)	
Diluted earnings/(loss) per share (sen)	B12(b)	0.97	(1.45)		0.30	(2.64)	

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
(Registration No. 199301012471 (267209-K))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	NOTE	30 JUNE 2026 RM'000 (Unaudited)	31 DEC 2025 RM'000 (Audited)
ASSETS			
Property, plant and equipment		260,934	260,305
Investment properties		52,000	52,000
Right-of-use assets		33,401	34,076
Goodwill		58	58
TOTAL NON-CURRENT ASSETS		**346,393**	**346,439**
Inventories		37,542	28,419
Receivables, deposits and prepayments		28,904	32,540
Current tax assets		1,282	2,375
Cash and bank balances		49,338	14,745
Other investments	**B8**	39,203	17,442
TOTAL CURRENT ASSETS		**156,269**	**95,521**
TOTAL ASSETS		**502,662**	**441,960**
EQUITY			
Share capital		75,028	75,028
Treasury shares		(2,419)	(2,419)
Reserves		269,772	268,679
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**342,381**	**341,288**
Non-controlling interests		25	29
TOTAL EQUITY		**342,406**	**341,317**
LIABILITIES			
Borrowings	**B9**	16,959	18,202
Lease liabilities	**B10**	11	35
Deferred tax liabilities		30,351	30,351
TOTAL NON-CURRENT LIABILITIES		**47,321**	**48,588**
Trade, other payables and accruals		63,596	8,047
Borrowings	**B9**	49,225	43,823
Lease liabilities	**B10**	112	182
Current tax liabilities		2	3
TOTAL CURRENT LIABILITIES		**112,935**	**52,055**
TOTAL LIABILITIES		**160,256**	**100,643**
TOTAL EQUITY AND LIABILITIES		**502,662**	**441,960**
Net Assets Per Share (Sen)		**221**	**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
(Registration No. 199301012471 (267209-K))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	30 JUNE 2026 RM'000	30 JUNE 2025 RM'000
Profit/(Loss) before tax	1,206	(4,076)
Adjustments for:		
Depreciation and amortisation	2,751	2,761
Employees' share options expenses	625	0
Interest expenses	920	690
Interest income	(94)	(50)
Bad debt written off	53	0
Distribution income from other investments	(186)	(161)
Fair value gain on other investments	(351)	0
Operating profit/(loss) before working capital changes	4,924	(836)
Changes in:-		
Inventories	(9,123)	3,771
Receivables, deposits and prepayments	3,583	4,982
Trade, other payables and accruals	55,549	(8,234)
Cash generated from/(used in) operations	54,933	(317)
Tax refund/(paid)	350	(494)
Interest paid	(920)	(690)
Interest received	94	50
Net cash from/(used in) operating activities	54,457	(1,451)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,705)	(3,576)
Net investment in other investments	(21,224)	9,580
Net cash (used in)/from investing activities	(23,929)	6,004
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in short-term loans and borrowings	5,402	(14,431)
Payments of lease liabilities	(94)	(223)
Repayments of term loans	(1,243)	(1,346)
Net cash from/(used in) financing activities	4,065	(16,000)
Currency translation differences	0	0
Net increase/(decrease) in cash and cash equivalents	34,593	(11,447)
Cash and cash equivalents brought forward	14,745	25,251
Cash and cash equivalents carried forward	49,338	13,804

Cash and cash equivalents carried forward

Cash and cash equivalents	49,338	15,131
Bank overdrafts	0	(1,327)
	49,338	13,804

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	Attributable to equity holders of the Company							
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Surplus RM'000	Employee share option reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2026	**75,028**	**(2,419)**	**174,000**	**862**	**93,817**	**341,288**	**29**	**341,317**
Profit for the financial year	0	0	0	0	468	468	(4)	464
Total comprehensive loss for the year	0	0	0	0	468	468	(4)	464
Transactions with owners								
Share options granted under ESOS	0	0	0	625	0	625	0	625
Total transactions with owners	0	0	0	625	0	625	0	625
Balance as at 30 June 2026	**75,028**	**(2,419)**	**174,000**	**1,487**	**94,285**	**342,381**	**25**	**342,406**

	Attributable to equity holders of the Company							
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Surplus RM'000	Employee share option reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2025	**75,028**	**(2,419)**	**174,000**	**1,034**	**95,957**	**343,600**	**37**	**343,637**
Loss for the financial year	0	0	0	0	(4,083)	(4,083)	(4)	(4,087)
Total comprehensive loss for the year	0	0	0	0	(4,084)	(4,083)	(4)	(4,087)
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 30 June 2025	**75,028**	**(2,419)**	**174,000**	**1,034**	**91,874**	**339,517**	**33**	**339,550**

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

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 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	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	
	30-June 2026 RM'000	30-June 2025 RM'000	30-June 2026 RM'000	30-June 2025 RM'000
Profit/(Loss) before tax is arrived at after charging				
Depreciation and amortisation	1,378	1,378	2,751	2,761
Interest expense	472	305	920	690
Foreign exchange (gain)/loss	(61)	63	166	72
Bad debt written off	53	0	53	0
Other operating income				
- Unrealised foreign exchange loss	0	21	0	0
- Foreign exchange gain	(65)	(14)	(65)	(41)
- Others	(77)	17	(81)	(117)
	(142)	24	(146)	(158)

A8. Segment Information

Segmental reporting for the cumulative period ended 30 June 2026 is as below:

Cumulative Period Ended 30 June 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	97,747	6,350	0	104,097
Total Revenue	**97,747**	**6,350**	**0**	**104,097**
Results				
Operating profit	4,818	59	0	4,877
Depreciation and amortisation	(2,667)	(84)	0	(2,751)
Finance cost	(917)	(3)	0	(920)
Tax expenses	(742)	0	0	(742)
Segment profit/(loss)	**492**	**(28)**	**0**	**464**
30 June 2025				
Revenue				
- External	63,318	0	0	63,318
Total Revenue	**63,318**	**0**	**0**	**63,318**
Results				
Operating loss	(350)	(275)	0	(625)
Depreciation and amortisation	(2,657)	(104)	0	(2,761)
Finance cost	(685)	(5)	0	(690)
Tax expenses	(11)	0	0	(11)
Segment loss	**(3,703)**	**(384)**	**0**	**(4,087)**

A9. Events after the Interim Period

Save as disclosed in B7(a), there were no other subsequent events after 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

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

A12. Changes in Contingent Liabilities

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
Unsecured		
Corporate guarantees given to banks for credit facilities granted to		
- subsidiaries	209,094	209,094
Amount utilised		
- subsidiaries	66,184	62,025

A13. Significant Recurrent Related Party Transactions

Companies in which certain directors are deemed to have substantial financial interests	Cumulative Period ended 30 June 2026
Eonmetall Group Berhad and its subsidiaries	**RM'000**
Sales and purchases of goods	900
Rental income	446
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 RM61.72 million for the current quarter, representing an increase of RM29.84 million from RM31.88 million in the same quarter last year.

Revenue from the Steel Segment amounted to RM57.78 million, representing an increase of RM25.90 million from RM31.88 million in the corresponding quarter last year, mainly due to introduction of new product and sales to new customers.

Revenue from the Mineral Segment amounted to RM3.94 million, while no revenue was recorded in the same quarter last year due to the timing of deliveries.

The Group recorded a profit before tax of RM2.14 million, compared to a loss before tax of RM2.23 million in the corresponding quarter of the previous year. Gross profit improved from RM1.05 million in Q2 2025 to RM7.46 million in the current quarter. The improvement in gross profit margin was mainly attributable to increase in revenue and gross profit margin. However, this improvement was partially offset by significantly higher transportation costs arising from stricter implementation of regulations and higher fuel prices, partly driven by geopolitical tensions, as well as higher professional fees in relation to the disposal of Kapar Land, penalty for the early settlement of term loan, ESOS expenses (see B7(b)), and lower rental income.

For year to date

The Group recorded revenue of RM104.10 million for the period ended 30 June 2026, an increase of RM40.78 million from RM63.32 million in the same period last year, primarily due to higher sales across both segments.

Revenue for the Steel Segment increased mainly due to improved demand despite a lower average selling price, mainly due to introduction of new products and sales to new customers. Revenue for the Mineral Segment increased due to higher sales volume.

The Group recorded a profit before tax of RM1.21 million for the year, compared to a loss before tax of RM4.08 million in the preceding year, representing an improvement of RM5.29 million. The improvement was mainly attributable to an increase in gross profit attributable to higher revenue and improved profit margin. However, the improvement was partially offset by significantly higher transportation costs arising from stricter implementation of regulations and higher fuel prices, partly driven by geopolitical tensions, as well as higher professional fees in relation to the disposal of Kapar Land, penalty for the early settlement of term loan, lower rental income, and expenses incurred in relation to the ESOS.

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B2. Current quarter compared to the preceding quarter

	Current Quarter ended 30 June 2026 RM'000	Preceding Quarter Ended 31 Mar 2026 RM'000	*Changes (%)*
Revenue	61,721	42,376	*45.65%*
Gross Profit	7,455	3,544	*110.36%*
Profit/(Loss) Before Tax	2,138	(932)	*330.11%*

The Group recorded revenue of RM61.72 million, representing an increase of RM19.34 million or 45.65% from RM42.38 million in the preceding quarter, mainly due to higher sales in both the Steel and Mineral Segments, driven by increased demand.

The Steel Segment recorded revenue of RM57.78 million for the current quarter, up from RM39.97 million in the preceding quarter, marking an increase of RM17.81 million or 44.56%. This increase was mainly due to the recovery in customer demand following the softer demand in Q1 2026, which was affected by fewer operating days during the festive seasons of Chinese New Year and Hari Raya Aidilfitri.

The Mineral Segment recorded revenue of RM3.94 million for the current quarter, up from RM2.41 million in the preceding quarter, representing an increase of RM1.53 million or 63.49%. The increase was mainly due to a higher quantity shipped and higher selling price.

The Group recorded a profit before tax of RM2.14 million for the current quarter, compared to a loss before tax of RM0.93 million in the preceding quarter, representing an improvement of RM3.07 million or 330.11%. The improvement was mainly attributable to higher gross profit. However, the improvement was partially offset by penalty for the early settlement of term loan, and expenses incurred in relation to the ESOS.

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.

The proposed disposal of land (see B7(a)) was approved by shareholders at the EGM held on 20 July 2026, with completion subject to the approval by authorities. A gain on disposal will be recognised when the sale becomes unconditional.

B4. Profit Forecast

Not applicable as no profit forecast was issued.

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B5. Tax expenses

	Current Quarter ended 30 June		Cumulative Period ended 30 June	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
- Current tax	(624)	(6)	(742)	(11)
- Prior year tax	0	0	0	0
- Deferred tax	0	0	0	0
Total tax expenses	**(624)**	**(6)**	**(742)**	**(11)**

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.

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 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 proposed disposal was approved by the non-interested shareholders at the Extraordinary General Meeting held on 20 July 2026. As at the date of this report, the disposal has not yet been completed, with completion subject to the approvals from the relevant authorities. A gain on disposal will be recognised when the sale becomes unconditional.

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

B8. Other investments

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
Current		
Short-term funds	39,203	17,442

B9. Borrowings

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
Current		
Secured		
Bankers' acceptances	46,756	41,354
Term loans	2,469	2,469
	49,225	**43,823**
Non-current		
Secured		
Term loans	16,959	18,202
	16,959	**18,202**

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

Interest expenses amounting to RM0.5 million were capitalised under property, plant and equipment during the cumulative period ended 30 June 2026.

B10. Lease Liabilities

	As at 30.06.2026 RM'000	As at 31.12.2025 RM'000
Current	112	182
Non-current	11	35
	123	**217**
Lease liabilities		
- owing to financial institutions	107	201
- owing to non-financial institutions	16	16
	123	**217**

Lease liabilities denominated in RM are subject to interest rates ranging from 1.75% to 2.28%.

B11. Changes in Material Litigation

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

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B12. Earnings per share ("EPS")

(a) Basic EPS

	Current Quarter Ended 30-June		**Cumulative Period Ended 30-June**	
	2026	**2025**	**2026**	**2025**
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	1,516	(2,237)	468	(4,083)
Weighted average number of ordinary shares (unit)	154,588	154,588	154,588	154,588
Basic earnings/(loss) per share (sen)	0.98	(1.45)	0.30	(2.64)

(b) Diluted EPS

	Current Quarter Ended 30-June		**Cumulative Period Ended 30-June**	
	2026	**2025**	**2026**	**2025**
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	1,516	(2,237)	468	(4,083)
Weighted average number of ordinary shares (unit)	154,588	154,588	154,588	154,588
Effect of dilution due to ESOS (unit)	1,255	0	1,255	0
	155,843	154,588	155,843	154,588
Diluted earnings/(loss) per share (sen)	0.97	(1.45)	0.30	(2.64)

By the order of the Board

Datin Tan Pak Say
Managing Director
Penang

27 August 2026