UNISEM (M) BERHAD [198901006009 (183314-V)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2026

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Current Quarter Ended 30/6/2026 RM'000	Corresponding Quarter Ended 30/6/2025 RM'000	Changes %	Current Year to date Ended 30/6/2026 RM'000	Corresponding Year to date Ended 30/6/2025 RM'000	Changes %
Revenue	570,119	475,150	20.0	1,034,865	898,774	15.1
Cost of sales	(522,188)	(451,528)	15.6	(977,823)	(848,615)	15.2
Gross profit	47,931	23,622	102.9	57,042	50,159	13.7
Operating expenses	(31,904)	(23,476)	35.9	(54,588)	(45,255)	20.6
Other operating income	5,613	16,968	-66.9	13,296	26,649	-50.1
Interest expense	(5,242)	(2,639)	98.6	(9,631)	(5,419)	77.7
Profit before tax	16,398	14,475	13.3	6,119	26,134	-76.6
Taxation	(6,488)	(5,344)	21.4	(9,564)	(10,997)	-13.0
Profit/(Loss) for the period	**9,910**	**9,131**	**8.5**	**(3,445)**	**15,137**	**-122.8**
Profit/(Loss) attributable to owners of the Company	**9,910**	**9,131**	**8.5**	**(3,445)**	**15,137**	**-122.8**
Earnings/(Loss) per share (sen):						
Basic and diluted	0.62	0.57	8.8	(0.21)	0.94	-122.3

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2026

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OR LOSS

	Current Quarter Ended 30/6/2026 RM'000	Corresponding Quarter Ended 30/6/2025 RM'000	Changes %	Current Year to date Ended 30/6/2026 RM'000	Corresponding Year to date Ended 30/6/2025 RM'000	Changes %
Profit/(Loss) for the period	9,910	9,131	8.5	(3,445)	15,137	-122.8
Other comprehensive income/(loss)						
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translating foreign operations	32,914	(49,481)	166.5	47,741	(53,006)	190.1
Total comprehensive income/(loss) for the period	**42,824**	**(40,350)**	**206.1**	**44,296**	**(37,869)**	**217.0**
Total comprehensive income/(loss) attributable to owners of the Company	**42,824**	**(40,350)**	**206.1**	**44,296**	**(37,869)**	**217.0**

(The Condensed Consolidated Statements of Comprehensive Income or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2026

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Financial Year End 30/6/2026 RM'000	As at Preceding Financial Year End 31/12/2025 RM'000
Assets		
Non-Current Assets		
Property, Plant and Equipment	2,391,975	2,289,424
Right-of-use Assets	45,989	46,193
Total Non-current Assets	2,437,964	2,335,617
Current Assets		
Inventories	353,106	295,897
Trade and Other Receivables	308,348	240,980
Tax Recoverable	789	524
Cash and Cash Equivalents	156,957	238,952
Total Current Assets	819,200	776,353
Total Assets	**3,257,164**	**3,111,970**
Equity and Liabilities		
Capital and Reserves		
Share Capital	1,036,677	1,036,677
Reserves	1,093,652	1,065,487
Total Equity	2,130,329	2,102,164
Non-Current Liabilities		
Bank Borrowings	-	23,681
Deferred Income	40,957	43,054
Lease Liabilities	-	88
Deferred Tax Liabilities	84,917	79,880
Total Non-current Liabilities	125,874	146,703
Current Liabilities		
Trade and Other Payables	466,834	471,850
Bank Borrowings	526,890	382,739
Lease Liabilities	191	203
Amount Owing to Other Related Companies	846	433
Provision for Tax	6,200	7,878
Total Current Liabilities	1,000,961	863,103
Total Liabilities	1,126,835	1,009,806
Total Equity and Liabilities	**3,257,164**	**3,111,970**
Net Assets per ordinary share attributable to owners of the Company (RM)	1.3207	1.3032

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 30/6/2026 RM'000	**Corresponding Year To Date Ended 30/6/2025 RM'000**
Operating Activities		
(Loss)/Profit for the Year	(3,445)	15,137
Adjustments for:		
Depreciation and amortisation	132,144	118,555
Interest expense/(income) - net	6,707	1,042
Others	17,516	(1,558)
Operating Profit Before Changes In Working Capital	152,922	133,176
Net change in current assets	(110,904)	(49,978)
Tax (paid)/refunded – net	(9,831)	(9,650)
Net change in current liabilities	21,721	42,076
Others	414	311
Net Cash Flows From Operating Activities	54,322	115,935
Investing Activities		
Additions of property, plant and equipment	(192,960)	(208,914)
Others	3,403	4,716
Net Cash Flows Used In Investing Activities	(189,557)	(204,198)
Financing Activities		
Drawdown/(Repayment) of bank borrowings – net	110,688	80,583
Dividends paid	(48,392)	(32,262)
Others	(9,436)	(5,914)
Net Cash Flows From Financing Activities	52,860	42,407
Net Change in Cash & Cash Equivalents	(82,375)	(45,856)
Cash And Cash Equivalents At Beginning Of Period	238,952	278,353
Effect of exchange rate differences	380	(9,134)
	239,332	269,219
Cash And Cash Equivalents At End Of Period	156,957	223,363

Cash and Cash Equivalents comprised the following :

	RM'000	**RM'000**
Cash on hand and at banks	152,886	197,340
Short-term deposits with licensed banks	4,071	26,023
	156,957	223,363

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2026

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Non-Distributable Reserve			Distributable	
	Share Capital RM'000	Other Reserves RM'000	Foreign Currency Translation Reserve RM'000	Reserve Retained Earnings RM'000	Total Equity RM'000
Current Period To Date Ended 30 June 2026					
At 1 January 2026	**1,036,677**	**110,555**	**20,654**	**934,278**	**2,102,164**
Loss for the period	-	-	-	(3,445)	(3,445)
Other comprehensive income for the period	-	-	47,741	-	47,741
Total comprehensive income/(loss) for the period	-	-	47,741	(3,445)	44,296
Dividends	-	-	-	(16,131)	(16,131)
At 30 June 2026	**1,036,677**	**110,555**	**68,395**	**914,702**	**2,130,329**
Corresponding Period To Date Ended 30 June 2025					
At 1 January 2025	**1,036,677**	**96,117**	**123,690**	**991,112**	**2,247,596**
Profit for the period	-	-	-	15,137	15,137
Other comprehensive loss for the period	-	-	(53,006)	-	(53,006)
Total comprehensive income/(loss) for the period	-	-	(53,006)	15,137	(37,869)
Dividends	-	-	-	(64,523)	(64,523)
At 30 June 2025	**1,036,677**	**96,117**	**70,684**	**941,726**	**2,145,204**

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 'INTERIM FINANCIAL REPORTING' (MFRS 134) AND BURSA LISTING REQUIREMENTS

A1. *Accounting policies and basis of preparation*

The Quarterly Report is unaudited and has been prepared in accordance with the reporting requirements outlined in the *MFRS 134* issued by the Malaysian Accounting Standards Board (MASB) and *Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad* and should be read in conjunction with the Group's annual audited financial statements for the 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 annual audited financial statements for the year ended 31 December 2025.

The Group has adopted all the new and amendments MFRSs and interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2026. The adoption of these new and amendments MFRSs and interpretations have not resulted in any material impact on the financial statements of the Group.

A2. *Declaration of audit qualification*

The annual financial statements of the Group for the financial year ended 31 December 2025 were reported without any audit qualification.

A3. *Explanatory comment about the seasonality or cyclicality of operations*

There were no material seasonal or cyclical factors affecting the results of the quarter under review.

A4. *Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence*

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial period to date.

A5. *Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period*

There were no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. *Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities*

There were no issue, cancellation, repurchases, resale and repayment of debt or equity securities for the current financial period to date except for the issuance of 101,638,600 new ordinary shares on 15 July 2026 at RM4.60 per share, being the first tranche of placement shares issued pursuant to a private placement exercise.

A7. *Changes in contingent liabilities or contingent assets*

There were no changes in contingent liabilities or assets since the date of the last report.

A8. ***Valuations of property, plant and equipment brought forward without amendment from the previous annual financial statements***

There were no amendments to the valuations of property, plant and equipment brought forward.

A9. ***Dividend Paid***

A fourth interim dividend of 1.0 sen per share, single-tier amounting to RM16.131 million in respect of ordinary shares in the previous financial year was paid by the Company on 3 April 2026.

A third interim dividend of 2.0 sen per share, single-tier amounting to RM32.261 million in respect of ordinary shares in the previous financial year was paid by the Company on 9 January 2026.

A10. ***Segment revenue and segment result and segment assets employed for business segments or geographical segments***

The Group's report on geographical segment for the financial period to date is as follows:

Year To Date Ended 30 June 2026	**USA RM'000**	**Europe RM'000**	**Asia RM'000**	**Group RM'000**
Revenue from external customers	410,508	156,167	468,190	1,034,865
Segment results	13,753	(4,364)	3,278	12,667

Year To Date Ended 30 June 2025	**USA RM'000**	**Europe RM'000**	**Asia RM'000**	**Group RM'000**
Revenue from external customers	433,588	118,251	346,935	898,774
Segment results	22,023	1,430	3,680	27,133

Reconciliation of segment results	**Current Year to Date Ended 30/6/2026 RM'000**	**Corresponding Year to Date Ended 30/6/2025 RM'000**
Reportable segments	12,667	27,133
Non-reportable segments	159	43
Interest expense	(9,631)	(5,419)
Interest income	2,924	4,377
Profit before tax	6,119	26,134
Tax expense	(9,564)	(10,997)
(Loss)/Profit after tax	(3,445)	15,137

Revenue by segment is reported based on the contractual billing location of the customer. Shipments are executed per customer delivery instructions, which may differ from the billing location.

Approximately 91% (2025: 92%) of the shipments associated with the revenue in the U.S. segment are destined for the Asia region.

A11. ***Material events subsequent to the end of the period reported on that have not been reflected in the financial statements for the said period***

There are no material events subsequent to the end of the current reported period that have not been reflected in the financial statements for the current period except for the issuance of 101,638,600 new ordinary shares on 15 July 2026 at RM4.60 per share, being the first tranche of placement shares issued pursuant to a private placement exercise.

A12. ***Effect of changes in the composition of the Group***

There were no changes in the composition of the Group during the current quarter under review and financial period to date.

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

B1. ***Detailed analysis of the performance of all operating segments of the Group, setting out material factors affecting the earnings and/or revenue for the current quarter and financial year to date***

The Group achieved revenue of RM570.119 million for the current quarter and RM1.035 billion for the six months period ended 30 June 2026, representing improvements of 20.0% and 15.1% respectively against RM475.150 million in the corresponding quarter and RM898.774 million for the same period a year ago. The improvement in revenue was primarily driven by higher sales volume across the Group's key operating units.

The Group recorded marginal increase in its net profit of RM9.910 million for the current quarter as compared to the net profit of RM9.131 million in the corresponding quarter ended 30 June 2025. For the six months period ended 30 June 2026, the Group reported net loss of RM3.445 million against the net profit of RM15.137 million a year ago. Sales performance improved during the period. However, the net loss incurred during the period was mainly arising from the foreign exchange movements and increased in operating expenses.

B2. ***Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter***

	Current Quarter Ended 30/6/2026 RM'000	Immediate Preceding Quarter Ended 31/3/2026 RM'000	Changes %
Revenue	570,119	464,746	22.7
Gross Profit	47,931	9,111	426.1
Profit/(Loss) Before Tax	16,398	(10,279)	259.5

The Group achieved profit before taxation of RM16.398 million for the current quarter ended 30 June 2026 against the loss before taxation of RM10.279 million in the preceding quarter ended 31 March 2026. The improved performance was mainly attributable to stronger gross profit margins arising from higher revenue, improved loading, better utilisation of manufacturing capacity and continued operational efficiency improvements.

B3. ***Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter***

Notwithstanding the cost inflation and currency volatility arising from a softer USD, the Group remains optimistic about its prospects, underpinned by its ongoing efficiency enhancements and cost mitigation measures. Demand from customers continues to improve, supported by ongoing new product qualifications, production ramp-up activities and healthy order momentum.

B4. ***Where the audit report of the company's preceding annual financial statements was qualified, disclosure of the qualification and current status of the matter(s) giving rise to the qualification for the current quarter and financial year to date***

The preceding annual financial statements of the Group were reported without any audit qualification.

B5. ***A statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved***

Not applicable.

B6. ***(a) Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)***

Not applicable.

(b) Explanatory note for any shortfall in the profit guarantee received by the Group (if any) and steps taken to recover the shortfall

Not applicable.

B7. ***Profit/(Loss) Before Taxation***

Profit/(Loss) before taxation is arrived at after (charging)/crediting:-

	Current Quarter Ended 30/6/2026 RM'000	**Corresponding Quarter Ended 30/6/2025 RM'000**	**Current Year to Date Ended 30/6/2026 RM'000**	**Corresponding Year to Date Ended 30/6/2025 RM'000**
Depreciation and amortisation	(67,519)	(59,768)	(132,144)	(118,555)
Interest expense	(5,242)	(2,639)	(9,631)	(5,419)
Foreign exchange (loss)/gain	(3,216)	6,145	(7,104)	7,852
Write (down)/back of inventories	(204)	265	2	(152)
Grant income received	5	393	386	798
Interest income	1,535	1,811	2,924	4,377
Provision for doubtful debts	-	-	-	(532)
Reversal of doubtful debts previously provided	-	532	-	532
Gain/(Loss) on disposal of properties	-	-	-	-
Gain/(Loss) on derivatives	-	-	-	-

B8. ***Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial period to date***

	Current Quarter Ended 30/6/2026 RM'000	Corresponding Quarter Ended 30/6/2025 RM'000	Current Year to Date Ended 30/6/2026 RM'000	Corresponding Year to Date Ended 30/6/2025 RM'000
Tax expense:				
Income tax	(3,510)	(1,598)	(7,407)	(7,101)
Deferred tax	(3,340)	(4,095)	(2,587)	(4,245)
	(6,850)	(5,693)	(9,994)	(11,346)
Over provision – prior year	362	349	430	349
	(6,488)	(5,344)	(9,564)	(10,997)

The Group's effective tax rate was higher than the statutory tax rate mainly due to certain sources of income being assessed and taxed separately in the domicile country.

B9. **(a)** ***Status of corporate proposals announced but not completed***
There were no corporate proposals announced but not completed as at the date of this announcement.

On 15 July 2026, the Company completed the issuance of the first tranche of the private placement comprising of 101,638,600 new ordinary shares at an issue price of RM4.60 per share and the total gross proceeds raised amounted to RM467.5 million. The issue price for any subsequent tranches will be determined and announced by the Company at a later date.

(b) ***Status of utilisation of proceeds raised from any corporate proposal for the quarter under review***
There were no unutilised proceeds raised from corporate proposal for the quarter under review.

B10. ***Borrowings and debt securities as at the end of the reporting period***
The detail and currency analysis of the Group's borrowings are as follows:

	Current Quarter Ended 30/6/2026 RM'000	Corresponding Quarter Ended 30/6/2025 RM'000
Unsecured Borrowings		
Due within 12 months	526,890	211,247
Due after 12 months	-	49,204
	526,890	260,451
Currency profile		
US Dollar	316,890	140,451
Ringgit Malaysia	210,000	120,000
	526,890	260,451

B11. ***Material Impairment of Assets***
There was no material impairment of assets during the quarter under review and financial period to date.

B12. ***Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date***
There were no changes in material litigation since the date of the last report.

B13. ***Foreign Currency Risk Management***
The Group attempts to mitigate foreign currency exchange risks by having a natural hedge between its receivables and a substantial portion of its payables/bank borrowings denominated in US dollars.

B14. ***Dividend***
The Directors did not recommend any dividend for the current financial quarter ended 30 June 2026.

B15. ***Earnings/(Loss) per share***
The basic and diluted earnings/(loss) per share is calculated by dividing the Group's earnings/(loss) attributable to owners of the Company for the current quarter/financial period to date by the weighted average number of ordinary shares in issue.

	Current Quarter Ended 30/6/2026	**Corresponding Quarter Ended 30/6/2025**	**Current Year to Date Ended 30/6/2026**	**Corresponding Year to Date Ended 30/6/2025**
Net profit/(loss) attributable to owners of the Company (RM'000)	9,910	9,131	(3,445)	15,137
Weighted average number of shares in issue as at end of period ('000)	1,613,079	1,613,079	1,613,079	1,613,079
Basic & diluted earnings/(loss) per share (sen)	0.62	0.57	(0.21)	0.94

BY ORDER OF THE BOARD

SUM MEE JIUN (MIA 32665)
SSM PC No. 202508000508

TEE THIAM CHAI (MAICSA 7066679)
SSM PC No. 202008002297

Company Secretaries

DATED: 31 July 2026