

SFP TECH HOLDINGS BERHAD

(Registration No. 202101004713 (1405012-M))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2025⁽¹⁾**

		Individual quarter		Cumulative quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
		Current year	Preceding year	Current	Preceding year
Note		quarter	corresponding	year-to-date	corresponding
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	20,654	33,695	20,654	33,695
Cost of sales		(7,018)	(18,844)	(7,018)	(18,844)
Gross profit		13,636	14,851	13,636	14,851
Other income	B5	363	765	363	765
Selling and distribution expenses		(278)	(219)	(278)	(219)
General administrative expenses		(6,248)	(3,955)	(6,248)	(3,955)
Other (losses)/gains		(437)	166	(437)	166
Operating profit		7,036	11,608	7,036	11,608
Finance costs		(834)	(625)	(834)	(625)
Finance income		47	261	47	261
Profit before tax ("PBT")	B15	6,249	11,244	6,249	11,244
Tax expense	B6	795	(2,160)	795	(2,160)
Profit for the financial period		7,044	9,084	7,044	9,084
Other comprehensive income, net of tax:					
Item that may be subsequently reclassified to profit or loss:					
- Currency translation differences		(9)	-	(9)	-
Total comprehensive income for the financial period		7,035	9,084	7,035	9,084
Profit attributable to:					
Owners of the Company		7,044	9,084	7,044	9,084
		7,044	9,084	7,044	9,084
Total comprehensive income attributable to:					
Owners of the Company		7,035	9,084	7,035	9,084
		7,035	9,084	7,035	9,084

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2025⁽¹⁾ (continued)

	Note	Individual quarter		Cumulative quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
		Current year	Preceding year	Current	Preceding year
		quarter	corresponding	year-to-date	corresponding
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		RM'000	RM'000	RM'000	RM'000
Earnings per ordinary share attributable to owners of the Company:					
Basic earnings per share (sen) ⁽²⁾	B14	0.29	0.38	0.29	0.38
Diluted earnings per share (sen) ⁽³⁾	B14	0.29	0.38	0.29	0.38

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share ("EPS") is calculated based on the profits attributable to owners of the Company divided by the total number of ordinary shares of SFP Tech ("Share(s)") in issue as at 31 March 2025.
- (3) Diluted earnings per share is calculated based on the profits attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of potential ordinary shares.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025⁽¹⁾

	Note	Unaudited As at 31.03.2025 RM'000	Audited As at 31.12.2024 RM'000
Non-current assets			
Property, plant and equipment		159,570	158,659
Right of use asset		658	741
Investment property		2,303	2,322
Intangible asset		50	344
Prepayments		9,087	13,343
Deferred tax assets		28	-
Total non-current assets		171,696	175,409
Current assets			
Inventories		56,485	37,960
Trade receivables		80,796	96,348
Other receivables, deposits and prepayments		14,331	21,238
Current tax receivable		27	27
Deposit, cash and bank balances		7,009	8,800
Total current assets		158,648	164,373
Total assets		330,344	339,782
Equity			
Share capital		119,489	119,489
Merger reserve		(53,077)	(53,077)
Employee share option scheme reserve		310	225
Currency translation reserve		(98)	(89)
Retained earnings		158,090	151,046
Total equity		224,714	217,594
Non-current liabilities			
Deferred income		-	156
Lease liabilities		374	462
Borrowings	B9	49,117	47,566
Deferred tax liabilities		-	2,974
Total non-current liabilities		49,491	51,158

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025⁽¹⁾ (continued)

	Note	Unaudited As at 31.03.2025 RM'000	Audited As at 31.12.2024 RM'000
Current liabilities			
Trade payables		11,550	15,962
Other payables and accruals		9,730	13,393
Lease liabilities		328	316
Contract liabilities		1,002	998
Borrowings	B9	20,670	29,159
Current tax provision		12,859	11,202
Total current liabilities		56,139	71,030
Total liabilities		105,630	122,188
Total equity and liabilities		330,344	339,782
Net assets per share (RM)		0.09 ⁽²⁾	0.09 ⁽²⁾

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the total equity divided by the total number of ordinary shares in issue at the end of the reporting period.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2025⁽¹⁾**

	<----- Attributable to owners of the parent ----->					
	<----- Non-distributable ----->			> Distributable		
	Share Capital	Merger Reserves	ESOS Reserves	Currency Translation Reserves	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2025	119,489	(53,077)	225	(89)	151,046	217,594
Total comprehensive income for the financial period	-	-	-	(9)	7,044	7,035
<i>Transaction with owners:</i>						
Share-based compensation pursuant to ESOS granted	-	-	85	-	-	85
Dividend	-	-	-	-	-	-
Balance as at 31 March 2025	119,489	(53,077)	310	(98)	158,090	224,714
Balance as at 1 January 2024 (As restated)	119,489	(53,077)	-	-	141,732	208,144
Total comprehensive income for the financial period	-	-	-	-	9,084	9,084
<i>Transaction with owners:</i>						
Dividend	-	-	-	-	(4,800)	(4,800)
Balance as at 31 March 2024 (As restated)	119,489	(53,077)	-	-	146,016	212,428

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2025⁽¹⁾**

	Unaudited Current year- to-date 31.03.2025 RM'000	Unaudited Preceding year-to-date 31.03.2024 RM'000
Cash flows from operating activities		
PBT	6,249	11,244
Adjustments for:		
Amortisation of intangible assets	294	257
Deferred income released	(156)	(174)
Depreciation of property, plant and equipment	3,461	3,289
Depreciation on investment property	19	22
Depreciation on right-of-use asset	83	-
Interest expenses	834	625
Interest income	(47)	(261)
Share-based compensation expenses	85	-
Unrealised loss/(gain) on foreign exchange	480	(472)
Operating profit before working capital changes	11,302	14,530
Changes in working capital:		
Inventories	(19,097)	(3,653)
Trade and other receivables	22,459	(323)
Trade and other payables	(8,075)	(8,598)
Contract liabilities	4	(159)
Cash generated from operations	6,593	1,797
Income tax paid	(550)	(490)
Interest paid	(834)	(625)
Interest received	47	261
Net cash from operating activities	5,256	943
Cash flows from investing activities		
Purchase of property, plant and equipment	(72)	(2,534)
Net cash used in investing activities	(72)	(2,534)
Cash flows from financing activities		
Dividend paid	-	(4,800)
Drawdown of term loans	-	4,002
Repayment of lease liability	(76)	-
Repayment of hire purchase	(5,826)	(3,379)
Repayment of term loans	(1,112)	(1,380)
Net cash used in financing activities	(7,014)	(5,557)
Net decrease in cash and cash equivalents carried forward	(1,830)	(7,148)

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2025⁽¹⁾ (continued)**

	Unaudited Current year- to-date 31.03.2025 RM'000	Unaudited Preceding year-to-date 31.03.2024 RM'000
Net decrease in cash and cash equivalents brought forward	(1,830)	(7,148)
Effect of changes in foreign exchange rate	39	285
Cash and cash equivalents at beginning of financial period	<u>7,720</u>	<u>52,566</u>
Cash and cash equivalents at end of financial period	<u><u>5,929</u></u>	<u><u>45,703</u></u>
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	1,080	1,656
Cash and bank balances	5,929	45,703
Less: Fixed deposits pledged to licensed banks or maturity period more than 3 months	<u>(1,080)</u>	<u>(1,656)</u>
Cash and cash equivalents at the end of the financial period	<u><u>5,929</u></u>	<u><u>45,703</u></u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of SFP Tech Holdings Berhad (“**SFP Tech**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

The interim financial statements should be read in conjunction with the accompanying notes attached to this interim financial report.

A2. Summary of accounting policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Group’s annual audited financial statements for the financial year ended 31 December 2024 as disclosed in the Annual Report except for the adoption of the following amendments/ improvements to MFRSs that are mandatory for the current financial year.

Amendments to MFRS 121 ‘The Effects of Changes in Foreign Exchange Rates’ on ‘Lack of Exchangeability’

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board but not yet effective for the Group:

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 ‘Financial Instruments’ and MFRS 7 ‘Financial Instruments: Disclosures’ on ‘Amendments to the Classification and Measurement of Financial Instruments’

Amendments to MFRS 1 ‘First-time Adoption of Malaysian Financial Reporting Standards’ on ‘Hedge Accounting by a First-Time Adopter’

Amendments to MFRS 7 ‘Financial Instruments Disclosures’ on ‘Gain or Loss on De-recognition’

Amendments to Guidance on Implementing MFRS 7 ‘Financial Instruments: Disclosures’

Amendments to MFRS 9 ‘Financial Instruments’ on ‘De-recognition of Lease Liabilities’

Amendments to MFRS 10 ‘Consolidated Financial Statements’ on ‘Determination of a ‘De Facto Agent’

Amendments to MFRS 107 ‘Statement of Cash Flows’ on ‘Cost Method’

Effective for annual periods beginning on or after 1 January 2027

MFRS 18 ‘Presentation and Disclosure in Financial Statements’

MFRS 19 ‘Subsidiaries without Public Accountability: Disclosures’

Effective date yet to be confirmed

Amendments to MFRS 128 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

The initial application of the above standard and amendments to MFRSs is not expected to have any material impact to the financial statements of the Group upon adoption.

A3. Auditors' report on preceding annual financial statements

The auditors' report for the preceding annual financial statement of the Group was not subject to any qualification.

A4. Seasonal or cyclical factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no extraordinary and exceptional items of unusual nature affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review and year-to-date.

A6. Changes in estimates

There were no material changes in the estimates that have a material effect to the Group during the current quarter under review and year-to-date.

A7. Debt and equity securities

Saved as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter under review and year-to-date.

On 27 August 2024, the Company had made an offer of options under the employees share option scheme ("ESOS") to eligible directors and employees to subscribe for new SFP Tech Shares. The movements of the ESOS are as follows:

Grant Date	Exercise Price (RM)	Vesting Period	<-----Number of share options ----->				As at 31 March 2025
			As at 1 July 2024	Granted and Accepted	Exercised	Lapsed	
27/08/2024	0.715	Over a period of 1 year up to 26/08/2025	-	4,000,000	-	-	4,000,000
			-	4,000,000	-	-	4,000,000

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

A8. Dividend Paid

There was no dividend proposed or declared during the current quarter under review.

In the previous year corresponding 1st quarter ended 31 March 2024, the Company had on 23 February 2024 declared a second interim single tier dividend of RM0.002 per Share in respect of the financial year ending 31 December 2023 amounting to RM4.80 million which was paid on 25 March 2024 to the shareholders whose name appeared in the Company's record of depositors on 11 March 2024. The total dividend declared for the 3-month financial period ended 31 March 2024 was RM0.002 per Share.

A9. Segmental information

The Group has two reportable segments which comprised its major business segments. The reportable segments are as follows:

- (1) Manufacturing Sales of precision machined parts and components, fabricated metal products and mechanically assembled products.
- (2) Automation Sales of automation equipment solutions and spare parts.

The segmental information based on the nature of the business segments as well as by geographical location are as follows:

(a) Revenue contribution by business segments

	Individual quarter		Cumulative quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	Current year	Preceding year	Current	Preceding year
	quarter	quarter	year-to-date	year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Revenue				
Manufacturing	18,104	32,606	18,104	32,606
Automation	2,550	1,089	2,550	1,089
Total	20,654	33,695	20,654	33,695

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(b) Revenue contribution by geographical locations

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 31.03.2025 RM'000	Unaudited Preceding year quarter 31.03.2024 RM'000	Unaudited Current year-to-date 31.03.2025 RM'000	Unaudited Preceding year year-to-date 31.03.2024 RM'000
Malaysia	7,024	5,605	7,024	5,605
Foreign Markets				
<i>USA</i>	9,753	996	9,753	996
<i>Singapore</i>	2,427	1,327	2,427	1,327
<i>China</i>	1	24,713	1	24,713
<i>Others</i>	1,449 ⁽¹⁾	1,054 ⁽²⁾	1,449	1,054
	20,654	33,695	20,654	33,695

Notes:

(1) Others comprise of Europe, Vietnam and Thailand.

(2) Others comprise of India, Netherlands, Philippines and Thailand.

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

A11. Material events subsequent to the end of the current financial quarter

There were no significant events subsequent to the end of the current quarter under review.

A12. Changes in the composition of the Group

There were no other material changes to the composition of the Group during the current financial quarter under review.

A13. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets in the Group for the current financial quarter under review.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

A14. Capital commitments

	Unaudited	Audited
	As at 31.03.2025	As at 31.12.2024
	RM'000	RM'000
Authorised and contracted for		
- Property, plant and equipment	7,380	8,688
	7,380	8,688

A15. Related party transactions

There were no related party transactions during the current financial quarter under review.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of performance - Comparison with previous year's corresponding quarter and financial year-to-date**

	Unaudited Current year quarter 31.03.2025 RM'000	Unaudited Preceding year corresponding quarter 31.03.2024 RM'000	Unaudited Current year-to-date 31.03.2025 RM'000	Unaudited Preceding year corresponding year-to-date 31.03.2024 RM'000
Revenue	20,654	33,695	20,654	33,695
Gross Profit	13,636	14,851	13,636	14,851
Profit before interest and tax	7,036	11,608	7,036	11,608
PBT	6,249	11,244	6,249	11,244
Profit after tax	7,044	9,084	7,044	9,084
Profit attributed to owners of the company	7,044	9,084	7,044	9,084

The Group recorded revenue of RM20.65 million for the current quarter and year-to-date ended 31 March 2025 which represented a decrease of RM13.04 million or 38.70% as compared to the revenue recorded of RM33.70 million for the preceding year corresponding quarter and corresponding year-to-date ended 31 March 2024.

During the quarter under review, the Group's revenue was principally derived from the Manufacturing segment which contributed RM18.10 million accounting for approximately 87.65% of the total revenue for the current quarter which represented a decrease of RM14.50 million or 44.48% as compared to the revenue generated from the manufacturing segment in the preceding year corresponding quarter of RM32.61 million.

During the quarter under review, the Group's revenue was mainly derived from customers in USA and Malaysia which contributed RM16.78 million accounting for approximately 81.23% of the Group's total revenue for the current quarter and year-to-date ended 31 March 2025 as compared to the preceding year corresponding quarter, whereby the revenue was predominantly from China, which contributed approximately 73.34% of the Group's total revenue for the current quarter and year-to-date ended 31 March 2024.

The Group recorded PBT of RM6.25 million for the current quarter ended and year-to-date ended 31 March 2025. As compared to the PBT generated by the Group for the preceding year corresponding quarter and year-to-date ended 31 March 2024, it represented a decrease of RM5.0 million or 44.42% mainly due to lower gross profit contributions coupled with higher staff related cost as a result of increase in staff count for current period.

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B2. Review of performance - Comparison with Immediate Preceding Quarter's Results

	Quarter Ended		Variance	
	31.03.2025 RM'000	31.12.2024 RM'000		
Revenue	20,654	43,572	(22,918)	(52.60)
PBT/(LBT)	6,249	(15,020)	21,269	141.60

The Group recorded a decrease in revenue of RM22.92 million or approximately 52.60% for the current quarter ended 31 March 2025 as compared to the preceding quarter ended 31 December 2024. The decrease in revenue was primarily attributed to the absence of sales to customer for mechanical assembly services.

The Group's PBT increase by RM21.27 million or approximately 141.60% for the current quarter ended 31 March 2025 as compared to the preceding quarter ended 31 December 2024 is mainly due to an ECL provision amounted to RM24.1 million provided in the previous quarter.

B3. Prospects of the Group

SFP Tech specialises in design, development and manufacturing of integrated factory and Automated Equipment Solutions, inclusive of Semiconductor Front-Of-Line Wafer processing equipment, supported by in-house Engineering Supporting Services manufacturing with production capability to customise and process complex precision CNC machined components and sheet metal fabrication.

The Group has in total 3 manufacturing plants located in Mainland Penang, with a diversified portfolio of customers across different industries such as semiconductor, both wafer Front-Of-Line ("FOL") and BackEnd, Electronic Manufacturing Services, Electrical and Electronic products, solar PV, automotive, healthcare, amongst others.

The Group had on 21 February 2024 incorporated a wholly-owned subsidiary, namely SFP Integration in Singapore, which the principal activities are in design and development of production systems, machinery and equipment, and provision of other engineering services. According to the SEMI World Fab Forecast, close to 100 new semiconductor FOL wafer fabrications are either going into operation or under construction over the next few years. This new subsidiary spearheaded the Group's growth into capturing the anticipated growth in the semiconductor FOL wafer fabrication space, particularly in the semiconductor FOL equipment strategic business opportunities, which is one of the Group's key focus area.

The Group will continue to expand its participation in high value-add precision equipment and module design and assembly, and also complex piece part fabrication. The Board of Directors is optimistic of the Group's future prospects in FY2025. Leveraging on our competitive advantage, the Group expects the strategic direction and plans to contribute positively to its financial performance in the future.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**B4. Variance of actual profits from forecast profits**

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5. Other income

	Individual quarter		Cumulative quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	Current year	Preceding year	Current	Preceding year
	quarter	quarter	year-to-date	year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Government grant	156	174	156	174
Scrap income	171	163	171	163
Rental income	36	428	36	428
Total	363	765	363	765

B6. Tax expense

	Individual quarter		Cumulative quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	Current year	Preceding year	Current	Preceding year
	quarter	quarter	year-to-date	year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
- Current	2,206	1,853	2,206	1,853
Deferred tax expense				
- Current	-	307	-	307
- Over accrual in prior year	(3,001)	-	(3,001)	-
	(795)	2,160	(795)	2,160
Effective tax rate (%)	(12.72)	19.21	(12.72)	19.21
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group of -12.72% and 19.21% for the current and cumulative quarter respectively was lower than the statutory tax rate of 24.00% mainly due to tax incentive from pioneer status tax exemption of STSB.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

B7. Status of corporate proposals

On 11 September 2023, the Company announced to undertake the following proposals:

- (i) Proposed transfer of the listing of and quotation for the entire issued share capital of SFP Tech from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Proposed Transfer**”); and
- (ii) Proposed amendments to the constitution of SFP Tech to facilitate the implementation of the Proposed Transfer (“**Proposed Amendments**”)

(collectively referred to as the “**Proposals**”)

Approval from the shareholders of the Company in relation to the Proposed Amendments was obtained at an extraordinary meeting held on 23 February 2024. The Proposed Amendments will be implemented and take effect from the date the Company is transferred from the ACE Market to the Main Market of Bursa Securities.

On 3 March 2025, the Company announced that they have decided not to proceed with the Proposed Transfer at this juncture. The decision was made after taking into consideration the interim financial report for the fourth quarter ended 31 December 2024 of the Company.

Saved as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim report.

B8. Utilisation of Proceeds from the Initial Public Offering (“IPO”)

The Group has fully utilised the proceed from the IPO according to the revised timeline.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

B9. Borrowings

As at 31 March 2025, the Group has total borrowings of RM69.79 million as follows:

	Unaudited 31.03.2025 RM'000	Audited 31.12.2024 RM'000
Non-current liabilities (secured)		
Term loans	26,919	27,436
Hire purchase	22,198	20,130
	<u>49,117</u>	<u>47,566</u>
Current liabilities (secured)		
Term loans	3,124	3,719
Hire purchase	17,546	25,440
	<u>20,670</u>	<u>29,159</u>
Total borrowings		
Term loans	30,043	31,155
Hire purchase	39,744	45,570
	<u>69,787</u>	<u>76,725</u>

The currency of borrowing is as follows:

	Unaudited As at 31.03.2025 RM'000	Audited 31.12.2024 RM'000
Ringgit Malaysia	64,698	71,461
United States Dollar	5,089	5,264
	<u>69,787</u>	<u>76,725</u>

B10. Derivative financial instruments

As at 31 March 2025, the Group does not have any derivative financial instruments.

B11. Fair value of financial liabilities

The Group did not have any financial liabilities measured at fair value for the current quarter under review and year-to-date.

SFP TECH HOLDINGS BERHAD

(Registration No. 202101004713 (1405012-M))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**B12. Material litigation**

The Group is not involved/engaged in any material litigation, claim or arbitration either as plaintiff or defendant and there is no proceeding pending or threatened or any fact likely to give rise to proceedings which might materially affect our position or business as at the date of this report.

B13. Dividend

There was no dividend proposed or declared during the quarter under review save as disclosed in Note A8.

B14. Earnings per share

	Individual quarter		Cumulative quarter	
	Unaudited Current year quarter 31.03.2025	Unaudited Preceding year quarter 31.03.2024	Unaudited Current year-to-date 31.03.2025	Unaudited Preceding year year-to-date 31.03.2024
Profit attributable to owners	7,044	9,084	7,044	9,084
Number of ordinary shares in issue ('000)	2,400,000	2,400,000	2,400,000	2,400,000
Weighted average number of ordinary shares in issue ('000)	2,401,367	2,400,000	2,401,367	2,400,000
Basic EPS (sen) ⁽¹⁾	0.29	0.38	0.29	0.38
Diluted EPS (sen) ⁽²⁾	0.29	0.38	0.29	0.38

Notes:

- (1) Basic EPS is calculated based on the profits attributable to owners of the Company divided by the total number of ordinary shares in issue as at 31 March 2025. Diluted EPS is similar to Basic EPS as the Company does not have any potential dilutive ordinary shares.
- (2) Diluted earnings per share is calculated based on the profits attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of potential ordinary shares.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**B15. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income**

Profit for the period was derived after taking into consideration of the following:-

	Individual quarter		Cumulative quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	Current year	Preceding year	Current	Preceding year
	quarter	quarter	year-to-date	year-to-date
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
After charging/(crediting) :				
Amortisation of intangible assets	294	257	294	257
Depreciation on				
- Property, plant and equipment	3,461	3,289	3,461	3,289
- Investment property	19	22	19	22
- Right-of-use asset	83	-	83	-
Expenses related to short term leases - premises	237	235	237	235
Expenses related to low value assets – office	11	8	11	8
(Gain)/loss on foreign exchange				
- realised	(43)	306	(43)	306
- unrealised	480	(472)	480	(472)
Deferred income released	(156)	(174)	(156)	(174)

Save for the above, the other disclosure items as required under Rule 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
SFP TECH HOLDINGS BERHAD
28 MAY 2025