

PART A: EXPLANATION NOTES AS PER MFRS 134

A1 Basis of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2025.

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the year ended 31 December 2025, except for the adoption of the following new MFRSs, Amendments to MFRSs and Interpretations which are effective for annual periods beginning on or after 1 January 2026:

	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 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to <i>MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
<i>Annual Improvements to MFRS Accounting Standards – Volume 11</i>	1 January 2026
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 above standards, amendments and annual improvements do not have significant impact on the financial reporting of the Group.

A2 Audit Report of Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2025 was not qualified.

A3 Seasonal or cyclical factors

The Group faces minor seasonal fluctuations during major festive season's.

A4 The 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 unusual items in the quarterly financial statement under review.

Prestar Resources Berhad
Company No. 198401010527(123066-A)
Notes to the Unaudited Interim Financial Report for the period ended 31 March 2026

A5 Changes in estimates

There are no significant changes in estimates that have material effect in the current interim period.

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

No issuances, cancellations, repurchases, resale or repayments of debt and equity securities for the current quarter.

A7 Dividends paid (aggregate or per share) separately for ordinary share and other shares

A second single-tier interim dividend of 0.75 sen per ordinary share, amounting to RM2,667,369 in respect of the financial year ended 31 December 2025 was paid on 26 March 2026.

A8 Segment Information for the current financial year to date

	<u>Trading</u> RM'000	<u>Manufacturing</u> RM'000	<u>Investment</u> RM'000	<u>Elimination</u> RM'000	<u>Total</u> RM'000
Revenue					
External Sales	25,278	89,565	-	-	114,843
Inter-segment revenue	522	6,185	4,564	(11,271)	-
Total Revenue	25,800	95,750	4,564	(11,271)	114,843
Segment Result	(1,209)	6,177	2,088	(3,599)	3,457
Profit from operations					3,457
Finance costs					(742)
Interest Income					390
Share of results of associates					1,418
Profit before tax					4,523

No analysis by geographical area has been presented as its year to date contribution was less than 10% to the combined results of all segments revenue or results or assets.

A9 Valuations of property, plant and equipment

The valuation of land & buildings has been brought forward, without amendment from the previous annual financial statement.

A10 Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current quarter under review.

A11 The effect of changes in the composition of the enterprise during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations

There were no changes in the composition of the Company for the financial period under review.

A12 Changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2025

As at the date of this announcement, there were no material contingent liabilities incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

A13 Capital commitments

	As at 31/03/2026
	RM'000
Property, plant and equipment	
Authorized and contracted for	199
Authorized but not contracted for	96

PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (PART A OF APPENDIX 9B)

B1 Review of performance of the company and its principal subsidiaries for the current quarter and financial year to date (“YTD”)

	Individual Period (1 st quarter)		Increase / (Decrease)		Cumulative Period		Increase / (Decrease)	
	Current Year Quarter 01.01.2026 to 31.03.2026 RM'000	Preceding Year Corresponding Quarter 01.01.2025 to 31.03.2025 RM'000	RM'000	%	Current Year to- date 01.01.2026 to 31.03.2026 RM'000	Preceding Year Corresponding Period 01.01.2025 to 31.03.2025 RM'000	RM'000	%
Revenue	114,843	109,750	5,093	4.6	114,843	109,750	5,093	4.6
Profit from operations	3,457	1,614	1,843	114.2	3,457	1,614	1,843	114.2
Profit before tax	4,523	1,013	3,510	346.5	4,523	1,013	3,510	346.5

During the current quarter and financial year-to-date under review, the Group recorded revenue of RM114.8 million, representing an increase of 4.6% compared to RM109.8 million in the corresponding period of the previous financial year. The higher revenue was mainly attributable to increased sales volume and better average selling prices during the period.

The Group registered a profit from operations of RM3.5 million, compared to RM1.6 million in the corresponding period last year, representing an increase of 114.2%. The stronger operating performance was mainly driven by better product margins, continued cost discipline and operational efficiency gains across the Group, despite ongoing cost pressures from fuel, logistics, utilities and labour.

Consequently, the Group recorded a Profit Before Tax (“PBT”) of RM4.5 million, higher than RM1.0 million recorded in the corresponding period of the previous financial year. The higher PBT was mainly supported by stronger operating results and continued contribution from the Group’s associates during the period under review.

B2 Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

	Current Year Quarter 01.01.2026 to 31.03.2026 RM'000	Immediate Preceding Quarter 01.10.2025 to 31.12.2025 RM'000	Changes	
			RM'000	%
Revenue	114,843	123,349	(8,506)	(6.9)
Profit from operations	3,457	8,826	(5,369)	(60.8)
Profit before tax	4,523	12,349	(7,826)	(63.4)

The Group's revenue for the current quarter stood at RM114.8 million, compared to RM123.3 million recorded in the immediate preceding quarter. The decrease was mainly due to lower sales volume, arising from softer demand conditions amid continued global economic uncertainties, more cautious customer ordering patterns and the shorter working period during the festive season. The impact was partially mitigated by improved average selling prices during the quarter.

Profit from operations decreased to RM3.5 million from RM8.8 million in the immediate preceding quarter. The lower operating profit was mainly attributable to reduced sales volume and lower production throughput, which resulted in higher unit production costs.

Accordingly, the Group recorded PBT of RM4.5 million compared with RM12.3 million in the immediate preceding quarter. The decline was mainly attributable to weaker operating performance, while the Group's associates were also affected by softer market demand conditions and margin pressures during the current quarter.

B3 Prospects

The operating environment is expected to remain challenging, with business sentiment and demand conditions influenced by cautious economic growth, policy and geopolitical developments, currency volatility and fluctuations in input costs. These factors may continue to affect customer ordering patterns, pricing conditions and cost structures across the manufacturing and steel-related sectors.

The Group anticipates continued competitive conditions in its operating markets, with customer ordering patterns remaining prudent and demand expected to be mixed across key end-user segments.

Against this backdrop, the Group will continue to manage its operations with prudence, with emphasis on pricing discipline, product mix and margin management. The Group will also continue to focus on effective inventory control, disciplined procurement strategies, cost optimisation, operational efficiency and tighter working capital and cash flow management to mitigate cost volatility and preserve financial resilience.

B3 Prospects (continue)

Barring any unforeseen circumstances, the Group remains cautiously positive and will continue to implement appropriate measures to strengthen operational resilience and support its performance for the remaining financial period.

B4 Variance of actual profit from forecast profit / profit guarantee

Not applicable

B5 Tax expenses

	Current Quarter 31/03/2026 RM'000	Current Year To Date 31/03/2026 RM'000
Current taxation	892	892
Deferred taxation	776	776
In respect of prior years	-	-
	1,668	1,668

B6 The status of corporate proposals announced but not completed at the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report.

There were no corporate proposals announced at the date of this announcement.

B7 Group bank borrowings:

Total group borrowings as at 31 March 2026 are as follows:-

RM'000	Short Term Borrowing	Long Term Borrowing
Denominated in Ringgit Malaysia:		
Secured	28,432	3,962
Unsecured	27,446	-
Denominated in US Dollar:		
Secured	-	-
Unsecured	-	-
Total Bank Borrowings	55,878	3,962

B8 Material litigation since the date of the last annual statement of financial which must be made up to a date not earlier than 7 days from the date of issue of the quarterly report

The Group is not engaged in any material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group.

B9 Dividend

The Directors do not recommend any interim dividend for the current year under review.

B10 Earnings per share

Basic

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the financial year.

	Current Year Quarter 31/03/2026	Preceding Year Quarter 31/03/2025	Current Year to date 31/03/2026	Preceding Year to date 31/03/2025
Net profit attributable to ordinary shareholders (RM'000)	2,855	625	2,855	625
Weighted average number of ordinary shares in issue ('000)	355,649	359,068	355,649	359,068
Basic earnings per share (sen)	0.80	0.17	0.80	0.17

Diluted

The diluted earnings per share is not disclosed as it is not applicable.

B11 Notes to Condensed Consolidated Statement of Comprehensive Income

	Current Quarter 31/03/2026 RM'000	Current Year To Date 31/03/2026 RM'000
Net profit is arrived at after taking into accounts the following items:		
(a) Interest income	390	390
(b) Other income	1,365	1,365
(c) Interest expense	(742)	(742)
(d) Depreciation and amortization	(2,392)	(2,392)
(e) Provision (for) and written down of receivables	(910)	(910)
(f) Provision (for) and written down of inventories	(534)	(534)
(g) Gain / (loss) on disposal of quoted / unquoted investment / properties	-	-
(h) Impairment of assets	(1,780)	(1,780)
(i) Foreign exchange gain/(loss) - Realised and unrealized	(22)	(22)
(j) Gain / (loss) on derivatives	38	38
(k) Exceptional items	N/A	N/A