



AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)
(Incorporated in Malaysia)

Interim Financial Report For The Period Ended 30 June 2025 (Quarter 2, 2025)

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(Quarter 2, 2025)**

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2025

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
Revenue	19,524	16,968	33,697	25,771
Operating expenses	(18,862)	(16,903)	(32,845)	(25,589)
Other operating income	124	130	216	464
Profit from operations	786	195	1,068	646
Finance costs	(265)	(267)	(431)	(517)
Share of results in associate	60	79	130	146
Profit before taxation	581	7	767	275
Income tax expenses	-	-	(40)	(91)
Profit after taxation/Total comprehensive income for the financial period	581	7	727	184
Profit after taxation attributable to :				
- Equity holders of the parent	581	7	727	184
- Non-controlling interests	-	-	-	-
	581	7	727	184
Earnings per share ("EPS") attributable to equity holders of the parent :				
- Basic EPS (sen)	0.07	-	0.09	0.03
- Diluted EPS (sen)	0.07	-	0.09	0.03

The Condensed Consolidated Statement of Comprehensive Income above should be read in conjunction with the audited consolidated financial statements of Axteria Group Berhad ("AGB" or the "Company") for the financial year ended 31 December 2024 and the accompanying explanatory notes to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

(The figures have not been audited)

	(Unaudited) As at 30/06/2025	(Audited) As at 31/12/2024
	RM'000	RM'000
ASSETS		
Property, plant and equipment	47,778	44,846
Right-of-use assets	268	377
Investment properties	9,102	12,467
Investment in associate	4,746	4,616
Deferred tax assets	95	95
Other financial asset	1,557	1,564
Total non-current assets	63,546	63,965
Inventories	108,632	94,115
Trade receivables	33,070	15,132
Other receivables, deposits and prepayments	3,728	3,203
Contract assets	16	3,933
Current tax assets	1,803	984
Cash and bank balances	9,746	7,227
Asset held for sale	8,156	4,791
Total current assets	165,151	129,385
TOTAL ASSETS	228,697	193,350
EQUITY AND LIABILITIES		
Share capital	200,833	200,833
Treasury shares	(92)	(92)
Accumulated losses	(53,834)	(54,560)
Equity holders of the parent	146,907	146,181
Non-controlling interest	-	-
Total equity	146,907	146,181
Hire purchase creditors	43	61
Lease liabilities	35	159
Term loans	15,924	16,758
Total non-current liabilities	16,002	16,978
Trade payables	36,055	16,531
Contract liabilities	6,568	5,411
Other payables and accruals	10,417	3,836
Current tax liabilities	36	40
Hire purchase creditors	49	63
Lease liabilities	244	229
Term loans	12,419	4,081
Total current liabilities	65,788	30,191
TOTAL LIABILITIES	81,790	47,169
TOTAL EQUITY AND LIABILITIES	228,697	193,350
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS	0.19	0.19

The Consolidated Statement of Financial Position above should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the financial year ended 31 December 2024.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

(The figures have not been audited)

	Share Capital	Treasury Shares	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2024	192,187	(92)	(44,070)	148,025
Profit after taxation/Total comprehensive income for the financial period	-	-	184	184
Balance as at 30 June 2024	192,187	(92)	(43,886)	148,209
Balance as at 1 January 2025	200,833	(92)	(54,560)	146,181
Profit after taxation/Total comprehensive income for the financial period	-	-	727	727
Balance as at 30 June 2025	200,833	(92)	(53,833)	146,908

The Consolidated Statement of Changes in Equity above should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the financial year ended 31 December 2024.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2025

(The figures have not been audited)

	(Unaudited) Period ended 30/06/2025	(Audited) Year ended 31/12/2024
	RM'000	RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	767	(9,283)
Net adjustments for non-cash items	(2,912)	10,727
Operating profit before working capital changes	(2,145)	1,444
Changes in working capital		
Net change in inventories	(14,517)	(293)
Net change in trade and other receivables	(18,231)	(9,849)
Net change in contract assets	3,917	(3,933)
Net change in trade and other payables	26,096	3,761
Net change in contract liabilities	602	(851)
CASH FOR OPERATIONS	(4,278)	(9,721)
Income tax refunded	7	-
Income tax paid	(870)	(3,412)
NET CASH FOR OPERATING ACTIVITIES	(5,141)	(13,133)
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Interest income received	5	35
Purchase of:		
- property, plant and equipment	(2,109)	(3,123)
Withdrawal of fixed deposits with tenure more than 3 months	-	1,019
Advances to an associate	(113)	-
Proceeds from disposal of investment properties	3,365	2,400
NET CASH FLOW FROM INVESTING ACTIVITIES	1,148	331
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	12,965	5,535
Interest paid	(840)	(2,038)
Proceeds from issuance of ordinary shares, net of transaction costs	-	8,646
Repayment of lease liabilities	(109)	(178)
Repayment of term loans	(5,472)	(5,283)
Repayment to hire purchase creditors	(32)	(72)
NET CASH FLOW FROM FINANCING ACTIVITIES	6,512	6,610
Net increase/(decrease) in cash and cash equivalents	2,519	(6,192)
Cash and cash equivalents at beginning of financial period/year	7,227	13,419
Cash and cash equivalents at end of financial period/year	9,746	7,227

The Condensed Consolidated Cash Flow Statements above should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the financial year ended 31 December 2024.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025

A1. Basis of Preparation

The condensed interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: *Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), and Issuers Communication No. 1/2017 – *Guidance on Disclosures in Notes to Quarterly Report* issued by Bursa Securities.

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024. The accompanying explanatory notes provide additional context on significant events and transactions that have affected the Group’s financial position and performance since the end of the preceding financial year.

A2. Summary of Significant Accounting Policies

The accounting policies and computation methods adopted in this interim financial report are consistent with those used in preparing the Group’s audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments and/or interpretations (including any consequential amendments) during the current financial period:

- Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendment to MFRS 101: Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of these amendments and/or interpretations does not have a material impact on the financial statements of the Group and the Company upon initial application.

A2.1 Amendment to MFRSs and IC Interpretations (including Consequential Amendments) Issued but Not Yet Effective

The Group and the Company have not early adopted the following amendments to accounting standards and/or interpretations (including any consequential amendments) issued by the Malaysian Accounting Standards Board, which are not yet effective for the current financial year:

	<u>Effective Date</u>
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
• Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
• Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026

- | | |
|---|----------------|
| • Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity | 1 January 2026 |
| • Annual Improvements to MFRS Accounting Standards – Volume 11 | 1 January 2027 |
| • MFRS 18 Presentation and Disclosure in Financial Statements | 1 January 2027 |
| • MFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |

The Group is currently assessing the potential impact of adopting these amendments and intends to apply them on their respective effective dates.

A3. Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 31 December 2024 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's performance for the current financial year was not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income, or Cash Flows

There were no unusual items arising from their nature, size, or incidence that materially affected the Group's assets, liabilities, equity, net income, or cash flows during the current financial quarter and financial year to date.

A6. Changes in Estimates

There were no changes in estimates that had a material effect on the results for the current financial quarter and financial year to date.

A7. Debt and Equity Securities

There were no significant events involving the issuance, cancellation, repurchase, or repayment of debt and equity securities during the current quarter.

The number of outstanding warrants remained unchanged at 97,211,694 units.

A8. Dividend Paid

No dividends were declared or paid by the Group during the current financial quarter.

A9. Segmental Information

The Group's segmental information are as follows: -

	Property development & construction	Investment holding	Trading	Total
	RM'000	RM'000	RM'000	RM'000
6-month ended 30 June 2025				
Revenue				
External revenue	33,697	-	-	33,697
Results				
Operating profit/(loss)	1,476	(618)	(6)	852
Finance costs	(431)	-	-	(431)
Interest income	3	122	-	125
Other income	91	-	-	91
Share of results in an associate	-	130	-	130
Profit/(Loss) before taxation	1,139	(366)	(6)	767
Income tax expenses	(5)	(35)	-	(40)
Profit/(Loss) for the period	1,134	(401)	(6)	727

	Property development & construction	Investment holding	Trading	Total
	RM'000	RM'000	RM'000	RM'000
6-month ended 30 June 2024				
Revenue				
External revenue	25,771	-	-	25,771
Results				
Operating profit/(loss)	810	(7)	(621)	182
Finance costs	(517)	-	-	(517)
Interest income	10	-	145	155
Other income	309	-	-	309
Share of results in an associate	-	-	146	146
Profit/(loss) before taxation	612	(7)	(330)	275
Income tax expenses	(91)	-	-	(91)
Profit/(Loss) for the period	521	(7)	(330)	184

A10. Valuation of Property, Plant and Equipment

The Group's property, plant, and equipment are stated at cost, net of depreciation and impairment losses, if any.

A11. Significant Events During the Reporting Period

There were no significant events during the current financial quarter that have not been reflected in this report.

A12. Material Events After the End of the Interim Financial Period

Save for the notice issued to Warrant holders and the announcement made to Bursa Securities on 10 July 2025 regarding the expiry and final exercise date of Warrants 2020/2025 on 11 August 2025, there were no other material subsequent events after the financial period ended 30 June 2025.

A13. Changes in the Composition of the Group

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

A14. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

Limit:

Corporate guarantees given to financial institutions for credit facilities granted to subsidiaries – unsecured
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured

Company	
As at 30/06/2025 (Unaudited) RM'000	As at 31/12/2024 (Audited) RM'000
76,709	76,709
13,573	13,573
Company	
As at 30/06/2025 (Unaudited) RM'000	As at 31/12/2024 (Audited) RM'000
21,342	20,838
11,271	10,995

Utilised:

Corporate guarantees given to financial institutions for credit facilities granted to subsidiaries – unsecured
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured

(b) Contingent assets

There were no contingent assets as at the end of current quarter.

A15. Capital Commitments

The material commitments for the Group as at 30 June 2025 are as follows:

	RM'000
Purchase of property, plant and equipment	2,925

A16. Related Party Transactions

For the purpose of this interim financial statement, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control, jointly control, or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group, the Company, and the party are subject to common control.

The following related party transactions were conducted in the ordinary course of business on an arm's length basis and were necessary for the Group's day-to-day operations:

	RM'000
Associate	
- Interest income	120
Company which certain directors have substantial financial interest	
- Landowner's entitlement for A SOHO Johor Jaya Project	693
- Reimbursement of revolving credit interest for loan obtained to finance the development land	213
- Reimbursement of development related expenses	62
- Interest expenses for team loan obtained to partially finance the construction of A SOHO Johor Jaya Project	101
Director	
- Sale of property within the Group's development project	93

B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 6 months ended	Preceding Year 6 months ended
	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000
Revenue	19,524	16,968	33,697	25,771
Profit before taxation	581	7	767	275

For the six-month financial period ended 30 June 2025, the Group achieved revenue of RM33.70 million, a 30.7% increase compared to RM25.77 million in the corresponding period of the previous year. For the individual quarter, revenue grew to RM19.52 million, up 15.0% from RM16.97 million in the same quarter last year.

The stronger topline performance was mainly attributable to:

- **New Sales:** Revenue recognition from Project *Sentrio* and *The Asteria Melaka* serviced apartments.
- **Progressive Billings:** Ongoing progressive billings from previously sold units in A SOHO Johor Jaya and *The Asteria Melaka*.
- **Land Sale Contribution:** One-off revenue recognition from the disposal of a parcel of vacant land under Project Desa 88.

In line with the higher revenue, the Group's profit before taxation ("PBT") improved to RM0.77 million for the six-month period, compared to RM0.28 million in the preceding year. Similarly, PBT for the current quarter rose to RM0.58 million, a sharp increase from RM7 thousand in the corresponding quarter of the previous year. The improvement was mainly supported by higher revenue contribution, although partially offset by financing costs and overhead expenses.

B2. Comparison with Preceding Quarter's Results

The Group's performance for the current quarter ended 30 June 2025, as compared to the preceding quarter ended 31 March 2025, is summarised as follows:

	Current Quarter ended 30/06/2025 (Unaudited) RM'000	Preceding Quarter ended 31/03/2025 (Unaudited) RM'000
Revenue	19,524	14,173
Profit before taxation	581	186

For the current quarter ended 30 June 2025, the Group recorded revenue of RM19.52 million, representing a 37.8% increase compared to RM14.17 million in the preceding quarter. The higher revenue was primarily driven by stronger sales activities from Project Sentrio and The

The Group's PBT improved to RM0.58 million, a 212.4% increase compared to RM0.19 million in the preceding quarter. The improvement was largely in tandem with the stronger revenue base.

B3. Prospects for the Group

Looking ahead to the second half of the financial year, the Group remains cautiously optimistic about its performance, supported by a combination of ongoing development projects and strategic milestones.

Key factors expected to influence the Group's performance include:

- **Certificate of Completion and Compliance (CCC) for The Asteria Melaka**

On 27 June 2025, the Group successfully obtained the CCC for The Asteria Melaka, which comprises both the serviced apartments and hotel components. The Group is currently in the process of arranging the delivery of vacant possession to purchasers of the serviced apartments, Kondominium Kota Syahbandar.

The project represents a significant milestone as it is among the first housing developments in Melaka — and possibly in Malaysia — to have secured strata titles prior to physical completion. This achievement underscores the strong confidence of the authorities in the project and facilitates a more efficient handover process. With the delivery of vacant possession, strata titles will already be registered directly in purchasers' names rather than through assignments of rights, thereby strengthening ownership security and enhancing the overall value proposition of the development.

- **Bumiputera Release for A SOHO Johor Jaya**

As of the date of this report, the Group has obtained approval for the release of 60% of the Bumiputera units in A SOHO Johor Jaya. This approval broadens the potential

purchaser base and is expected to enhance sales prospects for the project in the coming quarters.

- **Sustained Sales Momentum**

Sales and billings from Project Sentrio, A SOHO Johor Jaya, and Kondominium Kota Syahbandar are expected to continue contributing positively to revenue in the coming quarters.

- **Strategic Land Monetisation**

The Group will continue to explore opportunities for land monetisation, such as selective land disposals, to strengthen cash flows and support ongoing development activities.

- **Operational and Cost Management**

The Group remains vigilant in managing construction costs, financing expenses, and operating overheads to safeguard margins amid a competitive property market and evolving economic conditions.

While the outlook remains positive, the Group is mindful of potential risks that could affect performance. These include rising construction and financing costs, delays in regulatory approvals, softening property market demand, and broader macroeconomic uncertainties such as interest rate movements and inflationary pressures. The Group will continue to monitor these factors closely and adopt proactive risk management strategies to mitigate any adverse impact.

Barring unforeseen circumstances, the Board anticipates that the Group's financial performance for the financial year ending 31 December 2025 will remain on an improving trajectory, underpinned by the above drivers.

B4. Profit Forecast or Profit Guarantee

The Group has not announced or provided any profit forecasts or profit guarantees for the current financial quarter under review or the financial year-to-date.

B5. Corporate Proposals

As of the date of this report, there are no pending corporate proposals that have been announced but remain incomplete.

B6. Profit before Taxation

The profit before taxation is arrived at after charging the following items:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 6 months ended	Preceding Year 6 months ended
	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000
Interest income	(64)	(69)	(125)	(155)
Other income including investment income	(60)	(62)	(91)	(309)
Interest expenses	265	267	431	517
Depreciation and amortisation	143	126	270	250
Provision for write off of receivables	-	-	-	-
Provision for write off of inventories	-	-	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange loss/(gain)	-	-	-	-
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

B7. Taxation

Taxation comprises the following: -

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 6 months ended	Preceding Year 6 months ended
	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000	30/06/2025 (Unaudited) RM'000	30/06/2024 (Audited) RM'000
Current tax expense	-	-	40	91
Effective tax rate	0.00%	0.00%	5.22%	33.09%

The Group's effective tax rate for the reporting period is lower than the statutory tax rate primarily due to the consolidation of financial results across the Group. Losses incurred by some entities offset the taxable profits of other entities, thereby reducing the overall tax liability at the Group level and resulting in a lower effective tax rate.

B8. Borrowings

The Group's borrowings as at 30 June 2025 are as follows: -

As at 30 June 2025			
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000
Secured			
Term loans	15,924	12,419	28,343
Hire purchase creditors	43	49	92
	15,967	12,468	28,435

As at 30 June 2024			
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Audited) RM'000	(Audited) RM'000	(Audited) RM'000
Secured			
Term loans	20,007	454	20,461
Hire purchase creditors	107	71	178
	20,114	525	20,639

B9. Financial Instruments

As at 30 June 2025, the fair value of financial asset measured at fair value through profit or loss is as follows:-

	RM'000
Other financial asset	1,557

The other financial asset is classified under Level 2 of the fair value hierarchy, with its fair value determined based on the surrender value at the end of current financial period.

Other than the above, the fair values of the Group's financial assets and liabilities measured at amortised cost approximate their carrying amounts, as these financial instruments either have relatively short-term maturities or repayable on demand.

B10. Material Litigation

There was no material litigation during the current financial period under review.

B11. Proposed Dividend

No dividend was declared for the current financial period under review.

B12. Earnings per Ordinary Share ("EPS")

(i) Basic EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 6 months ended	Preceding Year 6 months ended
	30/06/2025 (Unaudited)	30/06/2024 (Audited)	30/06/2025 (Unaudited)	30/06/2024 (Audited)
Earnings attributable to equity holders of the parent (RM'000)	581	7	727	184
Weighted average number of shares in issue ('000)	788,443	716,766	788,443	716,766
Basic EPS (sen)	0.07	0.00	0.09	0.03

(ii) Diluted EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 6 months ended	Preceding Year 6 months ended
	30/06/2025 (Unaudited)	30/06/2024 (Audited)	30/06/2025 (Unaudited)	30/06/2024 (Audited)
Earnings attributable to equity holders of the parent (RM'000)	581	7	727	184
Weighted average number of shares in issue ('000)	788,443	716,766	788,443	716,766
Cumulative Redeemable Convertible Preference Shares	-	-	-	-
Shares deemed issued for no consideration ('000) – Warrants	-	-	-	-
Weighted average number of shares for diluted EPS ('000)	788,443	716,766	788,443	716,766
Diluted EPS (sen)	0.07	0.00	0.09	0.03

**By Order Of The Board Of
Axteria Group Berhad**

29 August 2025