



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 March 2026

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current year quarter to 31 March 2026 RM'000	Preceding year quarter to 31 March 2025 RM'000	Current year to 31 March 2026 RM'000	Preceding year to 31 March 2025 RM'000
Revenue	66,702	96,824	66,702	96,824
Operating profit before finance costs, depreciation and amortisation and income tax	7,394	7,530	7,394	7,530
Depreciation and amortisation	(7,983)	(7,002)	(7,983)	(7,002)
Gain on disposal of property, plant and equipment	37	5,829	37	5,829
(Loss) / Profit from operations	(552)	6,357	(552)	6,357
Finance costs	(2,735)	(3,895)	(2,735)	(3,895)
(Loss) / Profit before tax	(3,287)	2,462	(3,287)	2,462
Tax expense	(19)	(924)	(19)	(924)
Net (loss) / profit for the financial period	(3,306)	1,538	(3,306)	1,538
Total comprehensive (loss) / income for the financial period	(3,306)	1,538	(3,306)	1,538
Net (loss) / profit attributable to owners of the Company	(3,306)	1,538	(3,306)	1,538
Total comprehensive (loss) / income attributable to owners of the Company	(3,306)	1,538	(3,306)	1,538
Basic (loss) / earnings per share (sen)	(0.33)	0.15	(0.33)	0.15
Diluted (loss) / earnings per share (sen)	(0.33)	0.15	(0.33)	0.15

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))
Condensed Consolidated Statement of Financial Position as at 31 March 2026

The figures have not been audited.

	(Unaudited)	(Audited)
	As at 31	As at 31
	March 2026	December 2025
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	226,795	232,678
Investment properties	25,000	25,000
Right-of-use assets	99,684	100,871
Deferred tax assets	4,986	4,986
Biological assets	20,570	20,310
Intangible assets	1,852	1,862
Other financial assets	1,574	1,575
	<u>380,461</u>	<u>387,282</u>
Current assets		
Inventories	81,345	77,456
Trade receivables	32,603	36,666
Other receivables	16,232	17,558
Tax recoverable	1,143	1,036
Fixed deposits with licensed banks	15,946	15,240
Cash and bank balances	12,901	16,176
	<u>160,170</u>	<u>164,132</u>
Assets held for sale	39,760	79,824
	<u>199,930</u>	<u>243,956</u>
TOTAL ASSETS	<u><u>580,391</u></u>	<u><u>631,238</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	276,666	276,666
Reserves		
Foreign currency reserve	(78)	(78)
Retained earnings	36,855	40,161
Total equity	<u>313,443</u>	<u>316,749</u>
Non-current liabilities		
Trade payables	10,293	10,293
Bank borrowings	50,660	53,569
Lease liabilities	3,624	3,406
Employee defined benefit plan	4,080	4,577
Deferred tax liability	105	104
	<u>68,762</u>	<u>71,949</u>
Current liabilities		
Trade payables	49,388	49,759
Other payables	29,838	67,852
Lease liabilities	2,720	3,782
Bank borrowings	116,234	121,090
Tax payable	6	57
	<u>198,186</u>	<u>242,540</u>
TOTAL EQUITY AND LIABILITIES	<u><u>580,391</u></u>	<u><u>631,238</u></u>
Net assets per share attributable to equity holders of the Company (RM)	<u>0.31</u>	<u>0.32</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))
Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 March 2026
The figures have not been audited.

	Attributable to equity holders of the Company			Total equity RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
As at 1 January 2026	276,666	(78)	40,161	316,749
Total comprehensive loss for the financial period	-	-	(3,306)	(3,306)
As at 31 March 2026	276,666	(78)	36,855	313,443
As at 1 January 2025	276,666	(78)	52,458	329,046
Total comprehensive income for the financial period	-	-	1,538	1,538
As at 31 March 2025	276,666	(78)	53,996	330,584

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))
Condensed Consolidated Statement of Cash Flows for the financial period ended 31 March 2026

The figures have not been audited.

	Current year to 31 March 2026 RM'000 (Unaudited)	Preceding year to 31 March 2025 RM'000 (Audited)
<u>Cash flows from / (used in) operating activities</u>		
– (Loss) / profit before tax	(3,287)	2,462
– Adjustments for non-cash and non-operating items		
• Other non-cash and non-operating items	10,120	7,408
	<u>6,833</u>	<u>9,870</u>
– Changes in working capital		
• Increase in inventories	(3,889)	(3,268)
• Decrease / (Increase) in receivables	5,390	(1,393)
• Decrease in payables	(2,436)	(7,229)
	<u>5,898</u>	<u>(2,020)</u>
– Payment of defined benefit plan	(497)	(246)
– Tax paid	(158)	(1,052)
– Interest income received	188	51
Net cash from / (used in) operating activities	<u>5,431</u>	<u>(3,267)</u>
<u>Cash flows from / (used in) investing activities</u>		
– Purchase of property, plant and equipment and right-of-use assets	(912)	(735)
– Additions of biological assets	(260)	(418)
– Proceeds from disposal of property, plant and equipment	4,513	15,269
Net cash from investing activities	<u>3,341</u>	<u>14,116</u>
<u>Cash flows from / (used in) financing activities</u>		
– Repayment of lease liabilities	(845)	(936)
– (Decrease)/Increase of fixed deposits with licensed banks	(706)	3,311
– Repayment of bank borrowings	(7,761)	(7,473)
– Financing expenses	(2,735)	(3,895)
Net cash used in financing activities	<u>(12,047)</u>	<u>(8,993)</u>
Net (Decrease) / increase in cash and cash equivalents	(3,275)	1,856
Cash and cash equivalents at 1 January	<u>16,176</u>	<u>9,856</u>
Cash and cash equivalents at 31 March	<u>12,901</u>	<u>11,712</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

PART A: Explanatory Notes of MFRS 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025. These explanatory notes attached to the 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.

2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31 December 2025 except for the adoption of the following standards which are applicable to its financial statements and effective for annual periods beginning on or after 1 January 2026:

Amendments to MFRSs	:	Annual Improvements to MFRS Standards – Volume 11
Amendments to MFRS 7 and MFRS 9	:	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 7 and MFRS 9	:	Contracts Referencing Nature-dependent Electricity

3. Auditors' report of preceding annual financial statements for financial year ended 31 December 2025

The audit report of the Group's financial statements for the financial year ended 31 December 2025 was not qualified.

4. Seasonality or cyclicity of interim operations

Demand for particleboard, rubberwood and related products are generally seasonal and are also affected by domestic and global economic conditions.

5. Exceptional items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2026.

6. Change in estimates

There were no changes in estimates that have had a material effect for the financial period ended 31 March 2026.

7. Issuance and repayment of debt and equity securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 31 March 2026.

8. Dividends paid

There were no dividends paid for the financial period ended 31 March 2026.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

9. Segmental reporting

The Group operates in the following geographical areas:

	Revenue		Total assets		Capital expenditure	
	Current year to 31 March 2026 RM'000	Preceding year to 31 March 2025 RM'000	As at 31 March 2026 RM'000	As at 31 March 2025 RM'000	Current year to 31 March 2026 RM'000	Preceding year to 31 March 2025 RM'000
Malaysia	64,445	90,116	580,391	640,900	912	735
South East Asia	1,673	3,454	-	-	-	-
Middle East and South Asia	300	1,534	-	-	-	-
Hong Kong and China	229	-	-	-	-	-
Others	55	1,720	-	-	-	-
	<u>66,702</u>	<u>96,824</u>	<u>580,391</u>	<u>640,900</u>	<u>912</u>	<u>735</u>

10. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

11. Material events subsequent to the financial period ended 31 March 2026

There were no material events subsequent to the financial period.

12. Changes in the composition of the Group during the financial period ended 31 March 2026

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

13. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the date of the financial report.

14. Capital commitments

There were no material capital commitments as at 31 March 2026.

15. Significant related party transactions

The Group had the following transactions with related parties during the financial period ended 31 March 2026:

	RM'000
<u>Transaction with a company in which two Directors of the Company are also directors and one of whom has substantial financial interest</u>	
Lease expenses paid	<u>24</u>



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

PART B: Explanatory Notes of Bursa Malaysia Listing Requirements

1. Review of performance

Quarter on quarter review

The Group recorded revenue of RM66.7 million in the first quarter of the financial year, declined by RM30.1 million or 31% from RM96.8 million in the corresponding quarter of the preceding year. The lower revenue was mainly due to lower sales volume and softer market demand, partly arising from ongoing Middle East conflict and higher fuel costs, which adversely affected consumer spending on consumer goods.

The Group reported pre-tax loss of RM3.3 million compared to pre-tax profit of RM2.5 million in the preceding year quarter as the preceding year's results were positively enhanced by a gain on disposal of property amounting to RM5.8 million.

2. Material changes in profit before taxation for the quarter against the immediate preceding quarter

	<u>FY 2026</u> Current Quarter Ended 31 March 2026 <u>RM'000</u>	<u>FY 2025</u> Preceding Quarter Ended 31 December 2025 <u>RM'000</u>
Revenue	66,702	84,247
Loss before tax	3,287	16,274

The Group's revenue for the current quarter declined by 21% from RM84.2 million in the immediate preceding quarter to RM66.7 million, mainly due to lower sales volume arising from the longer festive holiday period and the ongoing Middle East conflict during the quarter under review.

Despite the lower revenue, the Group recorded a reduced loss before tax of RM3.3 million compared to RM16.3 million in the preceding quarter. The improvement was primarily attributable to improved operating performance. The improvement was also partly driven by the absence of one-off expenses that had adversely impacted the previous quarter, e.g. impairment loss on receivables.

3. Prospects

The escalation of the Iran conflict in early 2026 has significantly disrupted the global trade and economic landscape, with no clear resolution in sight as at the date of this report. While the trajectory of the conflict in the Middle East Gulf remains uncertain, the potential economic implications are expected to be skewed towards heightened inflationary pressures and slower global economic growth.

Amid this challenging and evolving environment, the Group acknowledges that such external developments are beyond its control. Accordingly, the Group will continue to focus on two key strategic priorities, namely operational efficiency and organisational resilience.

The Management will remain vigilant in monitoring geopolitical and macroeconomic developments, and will continue to assess and implement appropriate measures to mitigate potential adverse impacts on the Group's operations, cost structure and supply chain.

4. Variance of actual profit from forecast profit

The Group did not provide any profit forecast in a public document and therefore, this note is not applicable.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

5. Profit/ (Loss) before tax

	Current year quarter to 31 March 2026 RM'000	Preceding year quarter to 31 March 2025 RM'000	Current year to 31 March 2026 RM'000	Preceding year to 31 March 2025 RM'000
Profit/ (Loss) before tax is arrived at after charging/ (crediting):-				
Interest income	(188)	(51)	(188)	(51)
Interest expense	2,735	3,895	2,735	3,895
(Gain)/Loss on disposal of property, plant and equipment	(301)	5,829	(301)	5,829
Depreciation and amortisation	7,983	7,002	7,983	7,002
Realised foreign exchange loss / (gain)	25	(315)	25	(315)

6. Tax expense

	Current quarter to 31 March 2026 RM'000	Current year to 31 March 2026 RM'000
In respect of current year		
- Malaysian income tax	<u>(19)</u>	<u>(19)</u>

The Group's effective income tax rate for the current year under review was lower than statutory tax rate mainly due to most of the subsidiaries were in loss position or have sufficient unutilised business losses and capital allowances.

7. Status of corporate proposals

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completion.

8. Borrowings and debt securities

The Group's bank borrowings are all denominated in Ringgit Malaysia. The details of the Group's bank borrowings as at 31 March 2026 are as follows:-

	Current RM'000	Non-current RM'000	Total RM'000
<u>Secured</u>			
Bankers' acceptance and invoice financing	98,471	-	98,471
Revolving credit / Bank overdraft	7,846	-	7,846
Term loans	9,917	50,660	60,577
	<u>116,234</u>	<u>50,660</u>	<u>166,894</u>



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

9. Derivative financial instruments

There was no outstanding foreign currency forward contract as at 31 March 2026.

10. Fair value changes of financial instruments

The Group did not enter into any derivatives during the current financial quarter and financial year-to-date.

Level 1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 : Inputs are unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<u>As at 31 March 2026</u>				
Derivative financial assets	-	-	-	-
<u>As at 31 March 2025</u>				
Derivative financial assets	-	-	-	-

11. Changes in material litigation

There was no material litigation as at the date of this interim financial report.

12. Dividend

The Directors do not propose any dividend for the financial period ended 31 March 2026. No dividend was declared last year.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

13. (Loss) / Earnings per share

	Current year quarter to 31 March 2026	Preceding year quarter to 31 March 2025	Current year to 31 March 2026	Preceding year to 31 March 2025
(a) Basic (loss) / earnings per share				
Net (loss) / profit attributable to the owners of the Company (RM'000)	(3,306)	1,538	(3,306)	1,538
Weighted average number of ordinary shares in issue ('000)	1,000,000	1,000,000	1,000,000	1,000,000
(Loss) / Earnings per share (sen)	<u>(0.33)</u>	<u>0.15</u>	<u>(0.33)</u>	<u>0.15</u>

(b) Diluted (loss) / earnings per share

Diluted (loss) / earnings per share is equivalent to the basic (loss) / earnings per share as there are no dilutive potential ordinary shares as at the reporting date.

**BY ORDER OF THE BOARD
MIECO CHIPBOARD BERHAD**

Ng Geok Lian
Company Secretary
Selangor

13 May 2026