AGX GROUP BERHAD

(Registration No. 201901042663 (1351993-K))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

AGX GROUP BERHAD
Registration No: 201901042663 (1351993-K)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026(1)

		Quarter Ended		Year-To-Date Ended	
	Note	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000
Revenue	**A9**	102,864	70,110	185,986	131,942
Cost of sales		(81,372)	(51,151)	(144,411)	(94,333)
Gross profit		**21,492**	**18,959**	**41,575**	**37,609**
Other income		112	257	316	561
Administrative expenses		(13,892)	(13,197)	(26,946)	(27,150)
Other expenses		(794)	(2,249)	(2,819)	(3,070)
Finance costs		(689)	(701)	(1,351)	(1,277)
Net impairment losses on financial assets		(1,148)	(21)	(1,673)	(1,261)
Share of results of associates		2,173	2,129	3,048	5,106
Profit before taxation		**7,254**	**5,177**	**12,150**	**10,518**
Income tax expense	**B5**	(1,859)	(1,170)	(2,981)	(2,125)
Profit after taxation		**5,395**	**4,007**	**9,169**	**8,393**
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss:					
- Foreign currency translation differences		18	(769)	(1,161)	(879)
Total comprehensive income		**5,413**	**3,238**	**8,008**	**7,514**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026[1] (continued)

		Quarter Ended		Year-To-Date Ended	
	Note	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000
Profit after taxation attributable to:					
Owners of the Company		5,388	4,145	9,097	8,677
Non-controlling interests		7	(138)	72	(284)
		5,395	**4,007**	**9,169**	**8,393**
Total comprehensive income attributable to:					
Owners of the Company		5,436	3,376	7,954	7,859
Non-controlling interests		(23)	(138)	54	(345)
		5,413	**3,238**	**8,008**	**7,514**
Earnings per share ("EPS") (sen)					
- Basic/Diluted	**B12**	1.24	0.96	2.10	2.00

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended ("**FYE**") 31 December 2025, as disclosed in the Annual Report of AGX Group Berhad ("**AGX**" or "**Company**") issued on 22 April 2026 ("**Annual Report 2025**"), and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026[(1)]

	Unaudited As at 30.06.2026 RM'000	Audited As at 31.12.2025 RM'000
NON-CURRENT ASSETS		
Investments in associates	15,196	22,383
Equipment	10,289	10,726
Right-of-use assets	20,012	21,011
Intangible assets	870	933
Other investments	149	149
Deferred tax assets	781	813
	47,297	56,015
CURRENT ASSETS		
Trade receivables	93,095	74,528
Other receivables, deposits and prepayments	18,005	15,461
Contract assets	6,436	7,320
Amount owing by associates	10,394	1,101
Current tax assets	271	692
Short-term investments	4,777	4,702
Fixed deposits with licensed banks	2,201	1,206
Cash and bank balances	20,492	15,025
	155,671	120,035
TOTAL ASSETS	**202,968**	**176,050**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	60,035	60,035
Retained profits	56,079	46,982
Reserves	(7,072)	(5,929)
Equity attributable to owners of the Company	109,042	101,088
Non-controlling interests	420	366
TOTAL EQUITY	109,462	101,454

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026[(1)] (continued)

	Note	Unaudited As at 30.06.2026 RM'000	Audited As at 31.12.2025 RM'000
NON-CURRENT LIABILITIES			
Loans and borrowings	**B8**	15,494	16,887
Retirement liability		2,542	2,437
		18,036	19,324
CURRENT LIABILITIES			
Trade payables		33,636	19,061
Other payables and accruals		10,697	10,930
Amount owing to associates		673	102
Loans and borrowings	**B8**	28,965	24,640
Current tax liabilities		1,499	539
		75,470	55,272
TOTAL LIABILITIES		93,506	74,596
TOTAL EQUITY AND LIABILITIES		**202,968**	**176,050**
Net assets per ordinary share attributable to owners of the Company (RM)[(2)]		**0.25**	**0.23**

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the FYE 31 December 2025, as disclosed in the Annual Report 2025, and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per share is calculated based on the net assets divided by the Company's issued share capital of 432,866,125 ordinary shares **("Shares")**.

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AGX GROUP BERHAD
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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2026[1]

		<--Non-distributable-->		Distributable			
	Share Capital RM'000	Foreign Exchange Translation Reserve RM'000	Remeasurement of Retirement Liability RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2026	60,035	(5,259)	(670)	46,982	101,088	366	101,454
Profit after taxation for the financial period	-	-	-	9,097	9,097	72	9,169
Other comprehensive income for the financial period							
- Foreign exchange translation differences	-	(1,222)	79	-	(1,143)	(18)	(1,161)
Total comprehensive income for the financial period	-	(1,222)	79	9,097	7,954	54	8,008
Balance as at 30 June 2026	60,035	(6,481)	(591)	56,079	109,042	420	109,462

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the FYE 31 December 2025, as disclosed in the Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026[(1)]

	Year-To-Date Ended	
	Unaudited 30.06.2026 RM'000	**Unaudited 30.06.2025 RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	12,150	10,518
Adjustments for:		
Amortisation of intangible asset	56	75
Depreciation of equipment	1,343	841
Depreciation of right-of-use assets	4,220	4,469
Equipment written off	5	-
Impairment losses:		
- trade receivables	1,686	1,266
- other receivables	287	268
Loss on disposal of an associate	453	-
Loss on disposal of equipment	1	-
Retirement expenses	194	192
Fair value gain on short-term investments	(71)	(73)
Gain on modification of leases	-	(13)
Reversal of impairment losses on other receivables	(34)	-
Unrealised (gain)/loss on foreign exchange	(217)	975
Share of net profits of equity accounted associates	(3,048)	(5,106)
Interest expenses	732	425
Interest expenses on lease liabilities	619	852
Interest income	(29)	(135)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**18,347**	**14,554**
Increase in trade and other receivables	(22,979)	(14,477)
Decrease/(Increase) in contract assets	1,036	(2,418)
Increase in trade and other payables	14,342	10,417
Decrease/(Increase) in amount owing by associates	307	(3,260)
Increase/(Decrease) in amount owing to associates	570	(510)
Cash from operations	**11,623**	**4,306**
Interest paid	(16)	(4)
Interest received	29	208
Income tax paid	(1,663)	(708)
Income tax refunded	30	-
NET CASH FROM OPERATING ACTIVITIES	**10,003**	**3,802**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026[1] (continued)

	Year-To-Date Ended	
	Unaudited 30.06.2026 RM'000	**Unaudited 30.06.2025 RM'000**
CASH FLOWS FOR INVESTING ACTIVITIES		
Additions of right-of-use assets	-	(113)
Change in investment in an associate	(59)	-
Dividends received	84	-
Proceeds from disposal of equipment	-	4
Purchase of equipment	(823)	(2,043)
NET CASH FOR INVESTING ACTIVITIES	**(798)**	**(2,152)**
CASH FLOW FOR FINANCING ACTIVITIES		
Drawdown of trade financing	17,834	7,618
Interest paid	(1,336)	(1,273)
Repayment of trade financing	(13,059)	(2,953)
Repayment of lease liabilities	(3,909)	(3,655)
Repayment of hire purchase payables	(713)	(574)
Repayment of term loans	(282)	(12)
NET CASH FOR FINANCING ACTIVITIES	**(1,465)**	**(849)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,740	801
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(1,163)	(1,237)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	19,726	23,132
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	**26,303**	**22,696**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026[1] (continued)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the FYE 31 December 2025, as disclosed in the Annual Report 2025, and the accompanying explanatory notes attached to this interim financial report.

(2) Cash and cash equivalents at the end of the financial period consist of:

	Year-To-Date Ended	
	30.06.2026	**30.06.2025**
	RM'000	**RM'000**
Fixed deposits with licensed banks	2,201	1,368
Cash and bank balances	20,492	17,987
Short-term investments	4,777	4,626
	27,470	23,981
Less: Fixed deposits pledged to licensed banks	(1,167)	(1,285)
	26,303	**22,696**

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NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134: INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements of AGX Group Berhad ("**AGX**" or "**Company**") and its subsidiaries ("**Group**") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Rules 9.22 and Appendix 9B of the Listing Requirements.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the FYE 31 December 2025, as disclosed in the Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Group's audited financial statements for the FYE 31 December 2025, except for the adoption of the following amendments to MFRSs during the financial period.

(a) MFRSs, Amendments to MFRSs and Interpretations adopted

MFRSs, Amendments to MFRSs and IC Interpretations
Amendments to MFRS 121: Lack of Exchangeability

The adoption of the abovementioned accounting standards and amendments is not expected to have any material impact on the financial statements of the Group.

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A2. Significant Accounting Policies (continued)

(b) Amendments to MFRSs not adopted

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:

MFRSs, Amendments to MFRSs and IC Interpretations	Effective for financial periods beginning on or
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 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The initial application of the above standards is not expected to have any material impact on the financial statements of the Group upon adoption.

A3. Auditors' Report of Preceding Annual Audited Financial Statements

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2025.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical trends during the current financial quarter under review and year-to-date.

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 financial quarter under review and year-to-date.

A6. Material Changes in Estimates

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

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales or repayment of debts and equity securities during the current financial quarter under review. Furthermore, no Warrants[(1)] were exercised during the current quarter under review, accordingly, no new ordinary shares were issued arising from the exercise of Warrants.

Note:

*(1) On 26 January 2026, the Company announced a bonus issue of up to 108,216,525 warrants ("**Warrants**") on the basis of one (1) warrant for every four (4) existing ordinary shares in the Company held by the shareholders as at 13 February 2026, being the entitlement date for the Warrants. The Warrants were listed on 27 February 2026.*

A8. Dividends Paid

No dividend was paid during the current quarter under review.

Subsequent to the end of the current quarter, the Company declared and paid a special single-tier dividend of 2.2 sen per ordinary share in respect of the financial year ending 31 December 2026, amounting to approximately RM9.52 million. The special single-tier dividend was declared on 1 July 2026 and paid on 27 July 2026.

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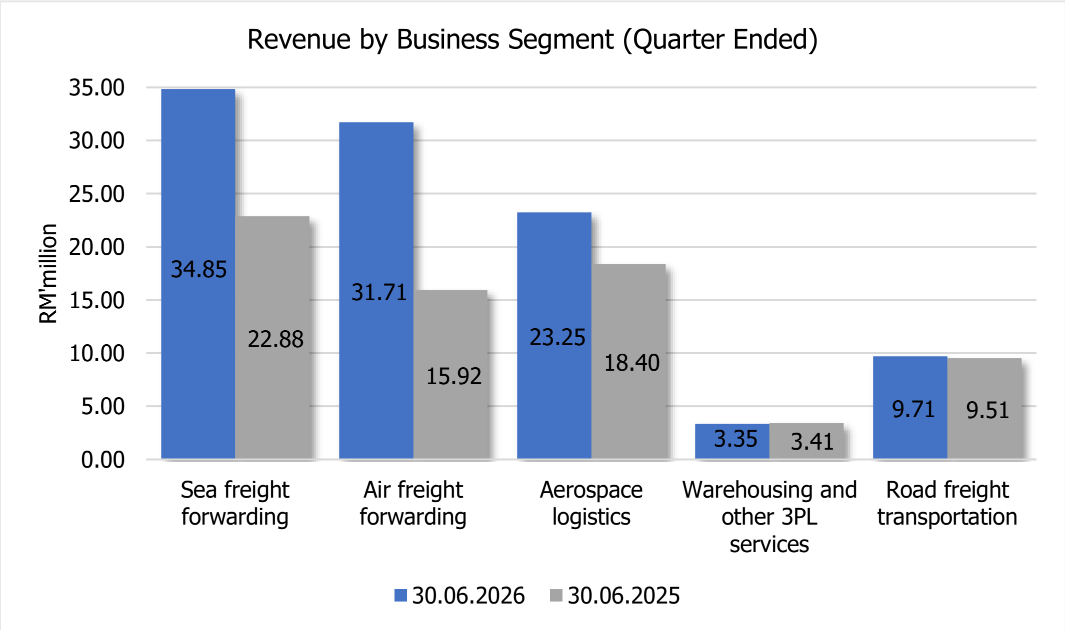
A9. Segmental Information

The segmental information based on business segments and geographical locations is as follows:

(a) Analysis of revenue by business segments

	Quarter Ended		**Year-To-Date Ended**	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
Sea freight forwarding	34,849	22,877	61,305	47,074
Air freight forwarding	31,712	15,920	53,490	29,711
Aerospace logistics	23,245	18,402	45,556	32,159
Warehousing and other 3PL services	3,346	3,405	6,715	6,220
Road freight transportation	9,712	9,506	18,920	16,778
Total	**102,864**	**70,110**	**185,986**	**131,942**



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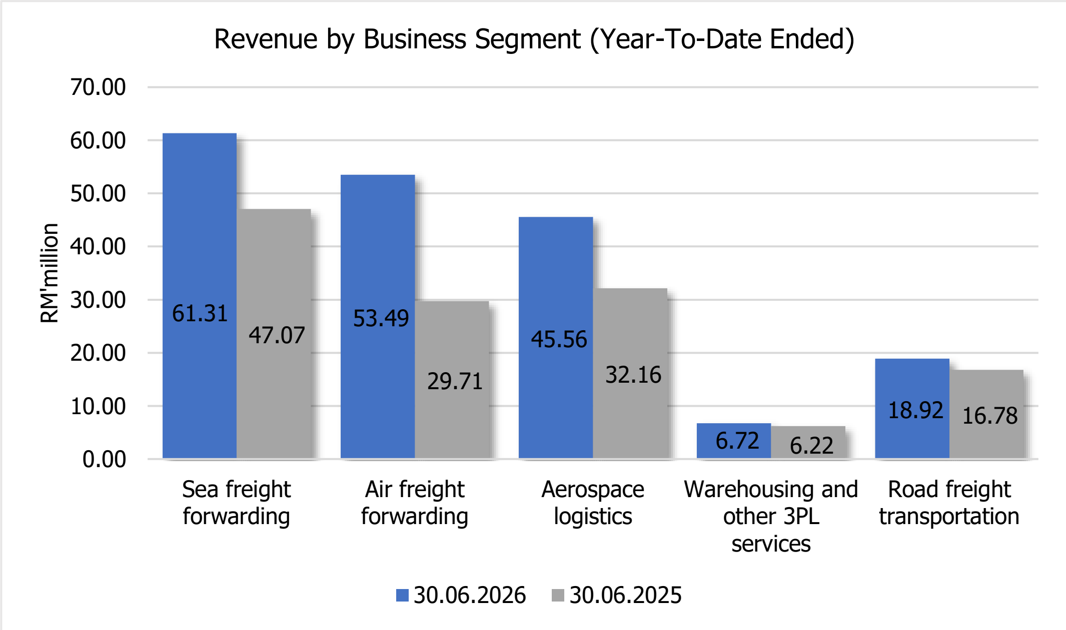
A9. Segmental Information (continued)

The segmental information based on business segments and geographical locations is as follows: (continued)

(a) Analysis of revenue by business segments (continued)



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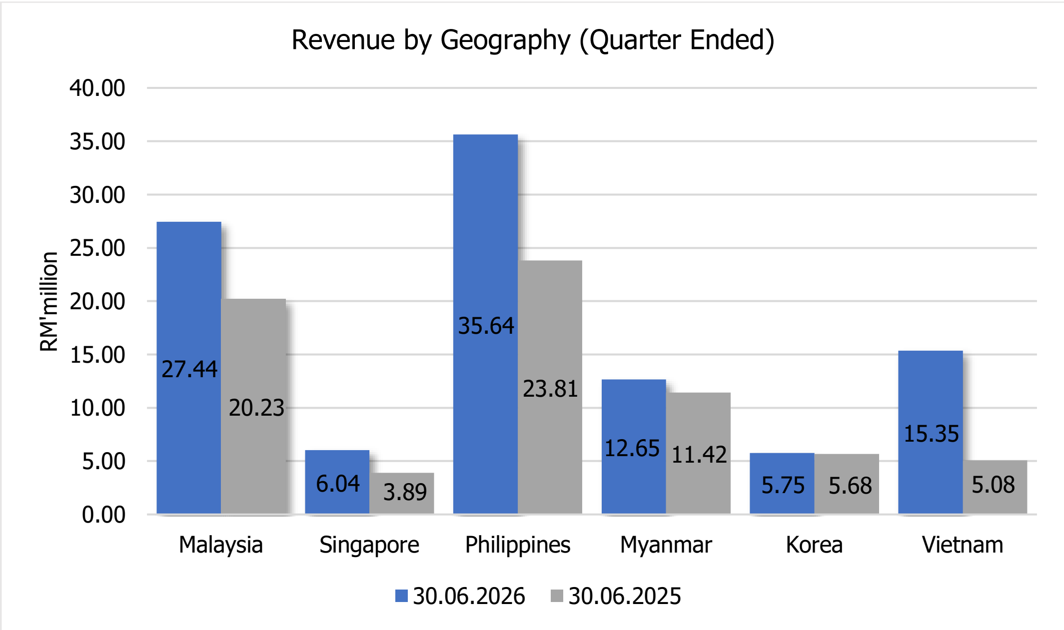
A9. Segmental Information (continued)

The segmental information based on the business segments and geographical locations is as follows: (continued)

(b) Analysis of revenue by geographical locations where our operating subsidiary companies are located

	Quarter Ended		Year-To-Date Ended	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
Malaysia	27,437	20,226	48,289	34,656
Singapore	6,041	3,894	12,979	6,999
Philippines	35,639	23,813	64,891	50,149
Myanmar	12,648	11,421	25,123	20,304
Korea	5,748	5,679	10,922	12,263
Vietnam	15,351	5,077	23,782	7,571
Total	**102,864**	**70,110**	**185,986**	**131,942**



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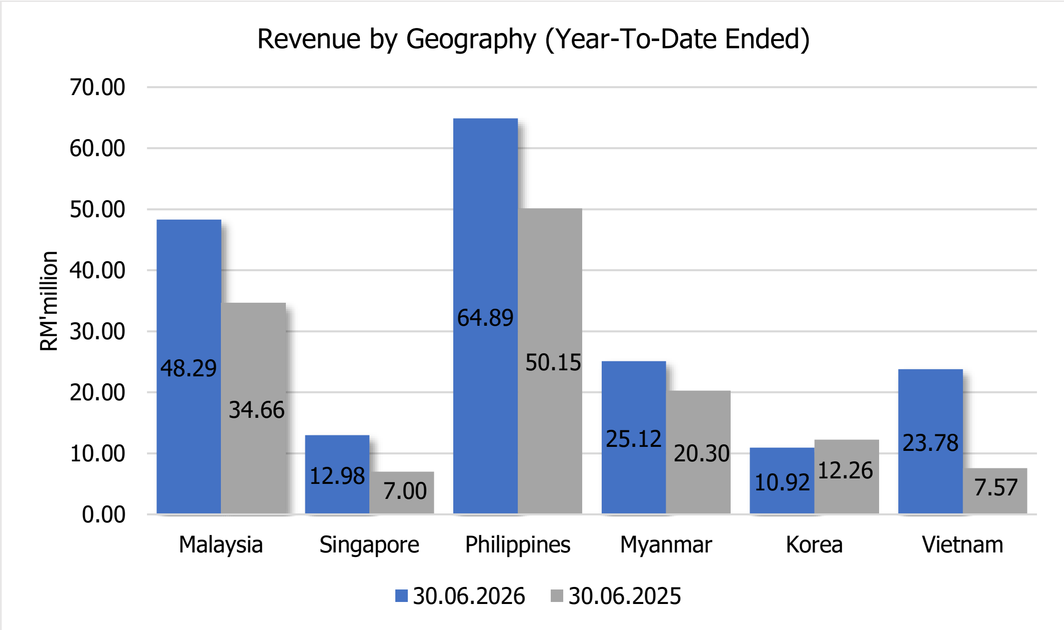
A9. Segmental Information (continued)

The segmental information based on the business segments and geographical locations is as follows: (continued)

(b) Analysis of revenue by geographical locations where our operating subsidiary companies are located (continued)



A10. Valuation of Property, Plant and Equipment

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

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A11. Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the current financial quarter under review, save as disclosed below:

(i) All-Link Air & Sea Pte. Ltd. ("All-Link Singapore"), an associate of AGX Logistics (S) Pte. Ltd. ("AGX Singapore"), which is a wholly-owned subsidiary of AGX Group Berhad ("AGX"), had on 30 April 2026 submitted an application to the Singapore Exchange Securities Trading Limited ("SGX-ST") for the proposed listing of and quotation for its ordinary shares on the Mainboard of the SGX-ST ("Listing Exercise").

On 23 June 2026, All-Link Singapore received the eligibility-to-list letter ("ETL") from the SGX-ST in relation to the Listing Exercise. Subsequently, on 30 June 2026, All-Link Singapore lodged its preliminary prospectus in respect of the Listing Exercise with the Monetary Authority of Singapore ("MAS").

The Listing Exercise was completed on 5 August 2026 following the listing of and quotation for the ordinary shares of All-Link Singapore on the Mainboard of the SGX-ST. On the same date, AGX announced to Bursa Malaysia Securities Berhad the completion of the listing of All-Link Singapore.

Further details on the changes in AGX's effective equity interest in All-Link Singapore arising from the listing are set out in Note A12.

(ii) The Company declared and paid a special single-tier dividend of 2.2 sen per ordinary share in respect of the financial year ending 31 December 2026, amounting to approximately RM9.52 million. The special single-tier dividend was declared on 1 July 2026 and paid on 27 July 2026.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review, save for the changes disclosed below.

As an integral part of the Listing Exercise undertaken by All-Link Singapore, AGX Express Phils. Inc. ("AGX Philippines"), a 99.99%-owned subsidiary of AGX Group Berhad ("AGX"), had on 3 March 2026 disposed of its direct equity interest of 29.99% in All-Link Philippines to All-Link Singapore, in consideration for the issuance of approximately 1,447 new ordinary shares in All-Link Singapore to AGX Logistics (S) Pte. Ltd. ("AGX Singapore"), pursuant to the corporate reorganisation undertaken in connection with the Listing Exercise.

The proposed disposal of All-Link Philippines was completed on 23 June 2026 following the issuance of 1,447 ordinary shares in All-Link Singapore to AGX Singapore as settlement of the disposal consideration (equivalent to approximately RM0.89 million). Following the completion of the disposal, AGX's effective equity interest in All-Link Singapore increased from 30.00% to 30.998%.

Subsequently, upon the completion of the listing of All-Link Singapore on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 August 2026, AGX's effective equity interest in All-Link Singapore was diluted from 30.998% to 23.21%.

A13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets in the Group as at date of this interim financial report.

A14. Capital Commitments

There were no other material capital commitments of the Group as at 30 June 2026.

A15. Related Party Transactions

Save as disclosed below, there were no other significant related party transactions during the current financial quarter and year-to-date under review:

	Quarter Ended		Year-To-Date Ended	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
<u>Transactions with Associates</u>				
Rendering of services	282	974	751	2,440
Purchase of services	645	353	1,070	552

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B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	Quarter Ended		Year-To-Date Ended	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
Revenue	102,864	70,110	185,986	131,942
Gross profit ("**GP**")	21,492	18,959	41,575	37,609
Profit before taxation	7,254	5,177	12,150	10,518
Profit after taxation	5,395	4,007	9,169	8,393

The Group recorded revenue of RM102.86 million and RM185.99 million for the current financial quarter and year-to-date ended 30 June 2026, respectively.

The Group's revenue was mainly derived from the sea freight forwarding, air freight forwarding and aerospace logistics segments, which contributed approximately 33.88%, 30.83% and 22.60%, respectively, to the total revenue for the current financial quarter ended 30 June 2026 and approximately 32.96%, 28.76% and 24.49%, respectively, for the total revenue for year-to-date ended 30 June 2026.

The Group's cost of sales mainly comprised freight charges for the transportation of customers' goods by cargo ships and planes, amounting to RM41.48 million or 50.98% of the total cost of sales of RM81.37 million for the current financial quarter ended 30 June 2026 and RM71.06 million or 49.21% of the total cost of sales of RM144.41 million for the financial year-to-date ended 30 June 2026.

Accordingly, the Group recorded a GP of RM21.49 million (GP margin of 20.89%) and RM41.58 million (GP margin of 22.35%), respectively, for the current financial quarter and year-to-date ended 30 June 2026.

The Group recorded a profit before taxation of RM7.25 million for the current financial quarter ended 30 June 2026, mainly attributable to higher gross profit.

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B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter 30.06.2026 RM'000	Preceding Quarter 31.03.2026 RM'000
Revenue	102,864	83,122
Gross profit	21,492	20,083
Profit before taxation	7,254	4,896

The Group reported revenue of RM102.86 million for the current financial quarter, compared to RM83.12 million in the immediate preceding quarter. Notably, gross profit improved to RM21.49 million from RM20.08 million in the immediate preceding quarter, primarily driven by stronger performance in the road freight transportation, sea freight forwarding and aerospace logistics segments.

Profit before taxation increased to RM7.25 million from RM4.90 million in the immediate preceding quarter, mainly due to higher gross profit and lower foreign exchange losses.

B3. Prospects of the Group

The global economic outlook remains resilient, with global growth projected at 3.1% in 2026 and 3.2% in 2027, as reported in the International Monetary Fund (IMF) *World Economic Outlook, April 2026*. Growth continues to be supported by technology-related investment, fiscal support in major economies and steady private-sector activity. However, the global economy remains exposed to heightened uncertainties arising from geopolitical tensions, including the Middle East conflict, which has contributed to energy price volatility and inflationary pressures. Global inflation is expected to remain elevated in the near term before gradually easing as supply conditions stabilise. Downside risks include prolonged geopolitical fragmentation, potential energy supply disruptions and tighter global financial conditions.

The Asia and Pacific region is expected to remain resilient despite a moderation in growth momentum. Based on the International Monetary Fund (IMF) *Regional Economic Outlook: Asia and Pacific, April 2026*, the region's economic expansion is expected to be affected by weaker external demand, elevated geopolitical tensions, energy price volatility and continued uncertainty in global trade policies. Nevertheless, growth continues to be supported by strong domestic demand, ongoing structural transformation and the region's important role in global supply chains. The outlook remains subject to downside risks, including further geopolitical fragmentation, potential commodity price shocks and tighter global financial conditions.

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B3. Prospects of the Group (continued)

Malaysia's economy continues to demonstrate resilience in 2026, with growth projected at 4.6% in 2026, supported by strong domestic demand, sustained investment activity and continued expansion in technology-related sectors, according to the International Monetary Fund (IMF) 2026 Article IV Consultation. However, the growth outlook remains subject to external headwinds, including global trade uncertainties, higher tariffs and weaker external demand. Inflation is expected to remain contained at around 1.9%, while Bank Negara Malaysia (BNM) continues to maintain a supportive monetary policy stance to preserve macroeconomic stability. Despite ongoing global uncertainties, Malaysia's economy remains underpinned by sound fundamentals, resilient domestic activity and continued structural reforms.

Given the highly interconnected nature of the freight forwarding industry with global economic activities and international trade flows, the Group remains vigilant and responsive to evolving macroeconomic trends. Freight volumes and demand patterns continue to be influenced by global supply chain dynamics, trade policies and regional production shifts, linking industry performance closely with broader regional and global economic developments.

For the current financial year, our strategic focus encompasses:

- Strengthening Revenue Streams: Diversifying our customer base and expanding into emerging markets to mitigate risks associated with economic slowdowns in specific regions.
- Optimising Operational Efficiencies: Implementing advanced logistics technologies and process improvements to enhance service delivery and cost-effectiveness.
- Exploring Strategic Partnerships: Collaborating with industry stakeholders to broaden our service offerings and reinforce our market position.

Despite near-term challenges such as geopolitical uncertainties and logistics cost fluctuations, the Group remains confident in its long-term growth potential and optimistic of achieving satisfactory financial performance for the financial year ending 31 December 2026. We believe that our agile business model, expanding regional footprint, and commitment to operational excellence will position us well to capitalise on emerging opportunities in the global logistics landscape.

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 and year-to-date.

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B5. Tax Expense

	Quarter Ended		Year-To-Date Ended	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
Current tax expense	1,859	1,170	2,981	2,125
Effective tax rate (%)	25.63	22.60	(1)24.53	(2)20.20
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

(1) For the period ended 30 June 2026, the Group's effective tax rate was higher than the statutory income tax rate in Malaysia of 24%. This was mainly attributable to the add-back of expenses that were not deductible for tax purposes and the income tax of a subsidiary being charged at 25%, which is higher than the Malaysian statutory income tax rate.

(2) For the period ended 30 June 2025, the Group's effective tax rate was lower than the statutory income tax rate in Malaysia of 24%. This was mainly attributable to the non-taxable share of results from associates.

B6. Status of Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this interim financial report.

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B7. Utilisation of Proceeds

The utilisation of proceeds as disclosed below should be read in conjunction with the Prospectus of the Company dated 16 January 2024. The gross proceeds of approximately RM33.78 million raised from the Listing and the status of utilisation is disclosed in the following manner:

Details of use of proceeds	Estimated timeframe for utilisation from the date of listing[(1)]	Proposed utilisation RM'000	Reallocation RM'000[(3)]	Actual utilisation RM'000	Balance to be utilised RM'000
Business expansion	Within 24 months[(2)]	8,700	(1,034)	7,666	-
Repayment of bank borrowings	Within 3 months	4,953	-	4,953	-
Working capital	Within 24 months	15,622	1,034	15,622	1,034
Estimated listing expenses	Within 3 months	4,500	-	4,500	-
Total		**33,775**	**-**	**32,741**	**1,034**

Notes:

(1) From the date of listing of the Company on the ACE Market of Bursa Securities.

(2) On 30 January 2026, the Board of AGX had resolved to extend the timeframe for the utilisation of the proceeds raised from the initial public offering allocated for business expansion, for an additional 12 months, up to 6 February 2027.

(3) The reallocation of RM1.03 million from Business Expansion to Working Capital was made to better align the utilisation of proceeds with the Company's working capital requirements. Accordingly, the amount allocated for Business Expansion was reduced from RM8.70 million to RM7.67 million, while the amount allocated for Working Capital was increased from RM15.62 million to RM16.66 million.

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B8. Loans and Borrowings

The Group's loans and borrowings were as follows:

	Unaudited As at 30.06.2026			
	Current		Non-current	
	RM Denomination RM'000	Foreign Denomination RM'000	RM Denomination RM'000	Foreign Denomination RM'000
Secured and guaranteed				
Denominated in RM				
Lease liabilities	1,066	-	1,909	-
Trade financing	6,491	-	-	-
Denominated in PHP				
Lease liabilities	-	410	-	408
Term loans	-	564	-	47
Trade financing	-	12,959	-	-
Denominated in KRW				
Trade financing	-	268	-	-
Unsecured and unguaranteed				
Denominated in RM				
Lease liabilities	2,618	-	5,906	-
Denominated in PHP				
Lease liabilities	-	3,022	-	4,924
Denominated in SGD				
Lease liabilities	-	1,335	-	2,112
Denominated in KRW				
Lease liabilities	-	43	-	130
Denominated in VND				
Lease liabilities	-	189	-	58
Total	**10,175**	**18,790**	**7,815**	**7,679**
Grand Total	**28,965**		**15,494**	

B9. Derivative Financial Instruments

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

B10. Material Litigation

As of the date of this report, the Group is not involved in any material litigation or arbitrations either as a defendant or plaintiff, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B11. Dividend Proposed

Save for the Dividends Paid as disclosed in Note A8 above, no other dividend was proposed or declared by the Board of the Company during the current financial quarter and year-to-date under review.

B12. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial period are calculated as follows:

	Quarter Ended		Year-To-Date Ended	
	30.06.2026	**30.06.2025**	**30.06.2026**	**30.06.2025**
Profit attributable to owners of the Company (RM'000)	5,388	4,145	9,097	8,677
Number of ordinary shares ('000)	432,866	432,866	432,866	432,866
Basic earnings per share (sen)(1)	1.24	0.96	2.10	2.00
Diluted earnings per share (sen)(2)	1.24	0.96	2.10	2.00

Notes:

(1) Basic EPS is calculated based on the profits attributable to the owners of the Company divided by the Company's issued share capital of 432,866,125 Shares.

(2) For the current financial quarter and financial period, there was no potential conversion of the outstanding Warrants of the Company into ordinary shares and this has an anti-dilutive effect on the basic earnings per ordinary share. As such, the diluted earnings per ordinary share is equivalent to the basic earnings per ordinary share which is in accordance to MFRS 133 Earnings per Share.

B13. Notes to the Statement of Profit or Loss and Other Comprehensive Income

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

	Quarter Ended		**Year-To-Date Ended**	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
After charging/(crediting):				
Finance costs	689	701	1,351	1,277
Amortisation of intangible asset and depreciation of equipment and right-of-use assets	2,856	2,820	5,619	5,385
Net impairment losses on financial assets	1,148	21	1,673	1,261
Net foreign exchange (gain)/loss	(297)	1,133	356	1,101
Interest income	(10)	(67)	(29)	(135)
Rental income	(21)	(50)	(42)	(82)
Management fee income	(22)	(36)	(22)	(71)

Other disclosure items as required under Appendix 9B of the Listing Requirements are not applicable.

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BY ORDER OF THE BOARD OF AGX GROUP BERHAD
26 AUGUST 2026