

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025**

	Unaudited As at 30.9.2025 RM'000	Audited As at 31.12.2024 RM'000
Assets		
Property, plant and equipment	510,444	518,207
Intangible assets	75,283	75,283
Investment in associates	6,306	5,846
Deferred tax assets	25,746	30,132
Long-term funds	2,971	2,952
Receivables	1,047	1,440
Total non-current assets	621,797	633,860
Receivables, deposits and prepayments	218,833	278,457
Contract assets	154,216	157,100
Inventories	212,641	208,734
Current tax assets	5,114	2,447
Derivative assets	18	-
Cash and cash equivalents	219,921	161,173
Total current assets	810,743	807,911
Total assets	1,432,540	1,441,771
Equity		
Share capital	199,485	198,323
Reserves	595,813	584,203
Total equity attributable to owners of the Company	795,298	782,526
Non-controlling interests	35,263	28,166
Total equity	830,561	810,692
Liabilities		
Loans and borrowings	5,521	5,861
Hire Purchase and lease liabilities	9,517	15,422
Deferred tax liabilities	64,886	64,589
Total non-current liabilities	79,924	85,872
Provisions for warranties	29,476	32,493
Payables and accruals	234,470	265,374
Contract liabilities	147,674	150,015
Loans and borrowings	101,819	83,101
Hire Purchase and lease liabilities	7,444	7,816
Current tax liabilities	1,172	5,265
Derivative liabilities	-	1,143
Total current liabilities	522,055	545,207
Total liabilities	601,979	631,079
Total equity and liabilities	1,432,540	1,441,771
Net assets per share attributable to owners of the Company (RM)	3.38	3.33

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

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (3RD QUARTER)****(The figures have not been audited)**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		30.9.2025 RM'000	30.9.2024 RM'000	30.9.2025 RM'000	30.9.2024 RM'000
Revenue	A9	154,098	189,880	559,588	569,381
Cost of sales, other income and operating expenses		(143,223)	(187,288)	(511,437)	(532,309)
Results from operating activities		10,875	2,592	48,151	37,072
Finance income		1,790	1,075	4,703	2,855
Finance costs		(1,329)	(677)	(3,110)	(3,072)
Operating profit	B5	11,336	2,990	49,744	36,855
Share of profit/(loss) of associates, net of tax		(166)	(315)	460	(1,280)
Profit before tax		11,170	2,675	50,204	35,575
Tax expense	B6	(4,344)	(7,412)	(17,133)	(17,658)
Profit for the period		6,826	(4,737)	33,071	17,917
Other comprehensive (expenses)/ income, net of tax					
Item that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		586	(16,434)	6,249	(16,317)
Other comprehensive income for the period, net of tax		586	(16,434)	6,249	(16,317)
Total comprehensive income for the period		7,412	(21,171)	39,320	1,600
Profit/(loss) attributable to:					
Owners of the Company		5,261	(7,577)	26,125	10,980
Non-controlling interests		1,565	2,840	6,946	6,937
Profit for the period		6,826	(4,737)	33,071	17,917
Total comprehensive income attributable to:					
Owners of the Company		5,871	(24,481)	32,223	(5,779)
Non-controlling interests		1,541	3,310	7,097	7,379
Total comprehensive income for the period		7,412	(21,171)	39,320	1,600
Earnings per ordinary share					
Basic (Sen)	B11	2.23	(3.22)	11.10	4.69
Diluted (Sen)	B11	2.22	(3.17)	11.02	4.61

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (3RD QUARTER)**

(The figures have not been audited)

	← Attributable to owners of the Company →						Total attributable to owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	← Non-Distributable →			→ Distributable →					
	Share Capital RM'000	Translation Reserves RM'000	Revaluation Reserves RM'000	Share Option Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000			
9 months ended 30 September 2025									
As at 1 January 2025	198,323	745	122,671	4,782	(3,006)	459,011	782,526	28,166	810,692
Profit/(loss) for the period	-	-	-	-	-	26,125	26,125	6,946	33,071
Foreign currency translation	-	6,098	-	-	-	-	6,098	151	6,249
Total comprehensive income for the period	-	6,098	-	-	-	26,125	32,223	7,097	39,320
Contribution by and distribution to owners of the Company									
- Transfer to share capital for share options exercised	298	-	-	(298)	-	-	-	-	-
- Share-based payments	-	-	-	909	-	-	909	-	909
- Issue of ordinary shares	864	-	-	-	-	-	864	-	864
- Dividends to shareholders	-	-	-	-	-	(21,224)	(21,224)	-	(21,224)
As at 30 September 2025	199,485	6,843	122,671	5,393	(3,006)	463,912	795,298	35,263	830,561
9 months ended 30 September 2024									
As at 1 January 2024	195,072	19,874	122,716	3,869	(3,006)	426,265	764,790	22,859	787,649
Profit for the period	-	-	-	-	-	10,980	10,980	6,937	17,917
Foreign currency translation	-	(16,759)	-	-	-	-	(16,759)	442	(16,317)
Total comprehensive income for the period	-	(16,759)	-	-	-	10,980	(5,779)	7,379	1,600
Contribution by and distribution to owners of the Company									
- Transfer to share capital for share options exercised	893	-	-	(893)	-	-	-	-	-
- Share-based payments	-	-	-	1,364	-	-	1,364	-	1,364
- Issue of ordinary shares	2,311	-	-	-	-	-	2,311	-	2,311
- Dividends to shareholders	-	-	-	-	-	(21,168)	(21,168)	-	(21,168)
As at 30 September 2024	198,276	3,115	122,716	4,340	(3,006)	416,077	741,518	30,238	771,756

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

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (3RD QUARTER)
(The figures have not been audited)**

	Unaudited Year ended 30.9.2025 RM'000	Unaudited Year ended 30.9.2024 RM'000
Cash flows from operating activities		
Profit before tax	50,204	35,575
Adjustments for:		
Allowance for impairment losses on trade receivables	736	5,830
Amortisation of right-of-use assets	4,561	5,148
Capital (gain)/Loss on short-term funds	(58)	(384)
Depreciation of property, plant and equipment	23,013	23,787
Finance costs	3,110	3,072
Finance income	(4,703)	(2,855)
(Gain)/Loss on disposal of property, plant and equipment	(52)	(1,477)
(Gain)/loss on foreign exchange	(3,493)	24,776
(Gain)/loss on derivatives	(1,162)	(1,051)
Property, plant and equipment written off	1,488	802
Provision for warranties	5,453	1,460
Reversal of impairment losses	(10,603)	(4,025)
Reversal of provision for warranties	(8,356)	(2,683)
Share-based payments	909	471
Share of loss/(profit) of equity accounted associates	(460)	1,280
Write-back of Inventories	(1,290)	(482)
Writedown of inventories	90	45
Operating profit/(loss) before changes in working capital	59,387	89,289
Changes in working capital:		
Inventories	(2,707)	(22,535)
Payables and accruals	(32,037)	(56,359)
Receivables, deposits and prepayments	76,204	(18,427)
Cash generated from/(used in) operations	100,847	(8,032)
Interest received	4,692	2,844
Interest paid	(3,190)	(3,207)
Income tax paid	(20,082)	(19,921)
Warranties paid	(343)	(61)
Net cash generated from/(used in) operating activities	81,924	(28,377)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(12,301)	(12,982)
Capital gain on short-term funds	58	384
Decrease/(Increase) in long-term funds	(19)	4,959
Proceeds from disposal of property, plant and equipment	88	5,062
Net cash generated from/(used in) investing activities	(12,174)	(2,577)

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (3RD QUARTER)
(cont'd)**

	Unaudited Period ended 30.9.2025 RM'000	Unaudited Period ended 30.9.2024 RM'000
Cash flows from financing activities		
Dividend paid to shareholders of the Company	(21,224)	(21,168)
Net proceeds/(repayment) of loans and borrowings	16,714	9,516
Proceeds from issue of shares under SIS scheme	864	3,204
Net cash generated from/(used in) financing activities	<u>(3,646)</u>	<u>(8,448)</u>
Exchange differences on translation of the financial statements of foreign operations	(2,376)	(769)
Net increase/(decrease) in cash and cash equivalents	<u>63,728</u>	<u>(40,171)</u>
Cash and cash equivalents at 1 January	156,165	164,861
Effect of exchange rate fluctuations on cash held	28	(1,931)
Cash and cash equivalents at 30 September	<u>219,921</u>	<u>122,759</u>

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	30.9.2025 RM'000	30.9.2024 RM'000
Cash and bank balances	98,718	64,097
Short Term Investment	43,404	16,580
Deposit placed with licensed banks	77,799	42,082
Cash and cash equivalents per balance sheet	<u>219,921</u>	<u>122,759</u>
Bank overdrafts	-	-
	<u>219,921</u>	<u>122,759</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

FAVELLE FAVCO BHD

Registration No.:199201017739 (249243-W)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (3RD QUARTER)****A NOTES TO THE INTERIM FINANCIAL STATEMENTS****A1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2024. 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 year ended 31 December 2024.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2024 and for the adoption of the Amendments and Annual Improvements to Standards effective from 1 January 2025:

MFRSs and/or IC Interpretations(Including the Consequential Amendments)

- Amendments to MFRS 121: Lack of Exchangeability 1 January 2025

The adoption of the above amendments and Annual Improvements to Standards did not have any material impact on the Group and the Company's financial statements upon their initial application.

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective to the Group:

MFRSs and IC InterpretationsEffective Date(Including the Consequential Amendments, if any)

- Annual Improvements to MFRS Accounting Standards - Volume 11 1 January 2026
- Amendments to MFRS 9 and MFRS7: Amendments to the Classification and Measurement of Financial Instruments 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 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Deferred

A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The Auditors' Report of the financial statements for the preceding financial year ended 31 December 2024 was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. EXCEPTIONAL/UNUSUAL ITEMS

There are no exceptional or unusual items affecting financial statements of the Group for the current quarter under review.

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A6. MATERIAL CHANGES IN ESTIMATES

There are no material changes in estimates of amounts that have material effect in the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, resale and repayments of debts and equity securities for the current quarter under review except for the followings:-

Employees' Share Issuance Scheme ("SIS")

During the current quarter ended 30 September 2025, a total of 574,000 new ordinary shares were issued at RM1.45 each, pursuant to the exercise of SIS granted in 2022.

A8. DIVIDENDS PAID

A first & final tax-exempt dividend of 9 sen per ordinary shares totalling RM21.2 million in respect of the year ended 31 December 2024 was paid on 15 August 2025.

A9. SEGMENT REVENUE AND RESULTS

Financial data by business segment for the Group:

	Cranes RM'000	Intelligent Automation RM'000	Consolidated RM'000
Revenue			
Inside Malaysia	173,177	142,429	315,606
Outside Malaysia	243,982	-	243,982
	<u>417,159</u>	<u>142,429</u>	<u>559,588</u>
Profit before tax	24,374	25,830	50,204
Segment assets	1,214,715	211,519	1,426,234
Investments in associates	6,306	-	6,306
Total assets	<u>1,221,021</u>	<u>211,519</u>	<u>1,432,540</u>
Segments liabilities	<u>520,171</u>	<u>81,808</u>	<u>601,979</u>

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

A11. MATERIAL SUBSEQUENT EVENT

There were no material subsequent event from the end of the quarter to 12 November 2025, which is likely to substantially affect the results of the operations of the Company.

A12. CHANGES IN THE GROUP'S COMPOSITION

Other than as disclosed below, there were no material changes in the Group composition in the current quarter under review:-

The Company incorporated a wholly owned subsidiary, Favelle Favco Solutions Co. ("Favco Solutions"), in the Kingdom of Saudi Arabia. Favco Solutions was established as a Limited Liability Company (LLC) in accordance with the Companies Law issued by Royal Decree No. M/132 dated 1 Dhul Hijjah 1443H (corresponding to 30 June 2022) and is governed by the Ministry of Commerce of Saudi Arabia.

Favco Solutions was incorporated with a share capital of SAR 25,000, comprising 2,500 shares. The subsidiary has not commenced business operations and has remained inactive since incorporation.

A13. CONTINGENT ASSETS/LIABILITIES

Please refer to note B9 for contingent assets/liabilities for the Group.

A14. CAPITAL COMMITMENTS

Capital commitments approved and contracted unconditionally as at 12 November 2025 is approximately RM11.96 million.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. REVIEW OF THE GROUP PERFORMANCE (YTD Q3 2025 vs YTD Q3 2024)

The Group reported consolidated revenue of RM559.6 million with profit before tax of RM50.2 million as compared to revenue of RM569.4 million with profit before tax of RM35.6 million in the previous financial period ended 30 September 2024.

The increase in the Group's profit before tax for the current financial period was primarily driven by a substantial reduction in foreign exchange losses. In the previous financial year ended 30 September 2024, the Group's profitability was adversely affected by significant unrealised foreign exchange translation losses arising from the rapid strengthening of the Malaysian Ringgit against US Dollar, particularly in September 2024, when the exchange rate moved sharply from 4.590 to 4.122.

During the current financial year, exchange rate movements have remained relatively stable, leading to lower translation losses on foreign currency-denominated balances. The Group continues to manage its foreign exchange exposure proactively through the use of forward exchange contracts, which help to mitigate the impact of currency fluctuations on its financial performance.

B2. COMPARISON WITH PRECEDING QUARTER RESULT (2025 Q3 vs 2025 Q2)

The Group recorded a revenue of RM154.1 million with profit before tax of RM11.2 million for the current quarter as compared to the revenue of RM230.1 million with profit before tax of RM20.4 million in the preceding quarter, the decrease in group profit before tax was mainly due to decrease in sales.

B3. GROUP'S CURRENT YEAR PROSPECT

Despite the challenging outlook in the current market, the Group has outstanding order book of approximately RM519 million (including order book of Intelligent Automation of RM124 million) as at 12 November 2025 from the global oil and gas, shipyard, construction, wind turbine industries and intelligent automation.

Oil & Gas industry still remain within the stable range, supporting stable investment levels. With rising construction activity in the Middle Eastern countries, shipyards modernization and expansion including replacing aging equipment, the group is hopeful for an increase in orders moving forward.

B4. PROFIT FORECAST

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

B5. OPERATING PROFIT

Current Quarter 30.9.2025 RM'000	Cumulative Qtr To-date 30.9.2025 RM'000
---	--

Operating profit is arrived at after (crediting)/charging the following:

Depreciation and amortization	7,462	23,013
Allowance for impairment loss/(gain)	(7,134)	(9,867)
Allowance for slow moving inventories	53	90
Foreign exchange (gain)/loss	(1,512)	(3,493)
(Gain)/loss on derivatives	1,453	(1,162)
(Gain)/loss on disposal of property, plant and equipment	(32)	(52)
Other Income	(228)	(693)
Finance costs	1,329	3,110
Interest income	(1,790)	(4,703)

--- The rest of this page has been intentionally left blank ---

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B6. TAXATION

	Current Quarter 30.9.2025 RM'000	Cumulative Qtr To-date 30.9.2025 RM'000
Current tax expense		
Malaysian Tax	(2,407)	(9,359)
Overseas	(1,035)	(3,963)
	(3,442)	(13,322)
Deferred taxation expense		
Malaysian Tax	(791)	(3,603)
Overseas	(111)	(208)
	(902)	(3,811)
Total tax expense	(4,344)	(17,133)

The effective tax rate of the Group for the period ended 30 September 2025 is higher than the local statutory tax rate mainly due to certain expenses were not deductible for tax purpose and additional balancing charge due to disposal of fixed assets.

B7. CORPORATE PROPOSAL

The Group has no outstanding corporate proposals for the quarter under review.

B8. GROUP BORROWINGS AND DEBT SECURITIES

	Foreign currency		RM'000
	Currency	Amount	
a) Short term borrowings			
- Secured	RM	618	618
	DKK	-	-
	Sub-total		618
- Unsecured	RM	90,729	90,729
	AUD	3,765	10,472
	Sub-total		101,201
Total short term borrowings			101,819
b) Long term borrowings			
- Secured	RM	5,521	5,521
Total long term borrowings			5,521
Total borrowings			107,340

--- The rest of this page has been intentionally left blank ---

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B9. CHANGES IN MATERIAL LITIGATION

There is no ongoing litigation that may have any material impact on the financial position of the Group.

B10. PROPOSED DIVIDENDS

The directors did not declare any interim dividend for the financial quarter under review.

B11. EARNINGS PER SHARE ("EPS")

Basic/Diluted EPS

	Basic EPS		Diluted EPS	
	Current 30.9.2025	Cumulative 30.9.2025	Current 30.9.2025	Cumulative 30.9.2025
Net profit attributable to the owners of the Company (RM'000)	5,261	26,125	5,261	26,125
Weighted average number of ordinary shares in issue ('000)	235,704	235,394	235,704	235,394
Effect of dilution: Share options ('000)	-	-	1,703	1,703
Adjusted weighted average number of ordinary shares in issue and issuales ('000)	235,704	235,394	237,407	237,097
EPS (Sen)	2.23	11.10	2.22	11.02

B12. COMPARATIVE FIGURES

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

By order of the Board of Directors

Company Secretary

Date: 18 November 2025