FAVELLE FAVCO BHD
Registration No.:199201017739 (249243-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2026

	Unaudited As at 30.9.2026 RM'000	Audited As at 31.12.2025 RM'000
Assets		
Property, plant and equipment	647,109	525,221
Intangible assets	83,266	75,283
Investment in associates	-	8,519
Deferred tax assets	21,452	22,548
Long-term funds	2,561	2,898
Total non-current assets	754,388	634,469
Receivables, deposits and prepayments	446,508	276,901
Contract assets	219,327	140,560
Inventories	262,713	194,374
Current tax assets	7,287	4,702
Derivative assets	14	3,800
Cash and cash equivalents	254,275	218,313
Total current assets	1,190,124	838,650
Total assets	1,944,512	1,473,119
Equity		
Share capital	203,920	199,508
Reserves	624,689	612,554
Total equity attributable to owners of the Company	828,609	812,062
Non-controlling interests	37,136	30,261
Total equity	865,745	842,323
Liabilities		
Deferred tax liabilities	63,016	64,140
Hire Purchase and lease liabilities	8,284	4,489
Loans and borrowings	4,903	5,246
Payables and accruals	3,499	2,871
Total non-current liabilities	79,702	76,746
Provisions for warranties	25,709	28,117
Payables and accruals	363,979	252,207
Contract liabilities	338,988	143,111
Hire Purchase and lease liabilities	9,554	10,786
Loans and borrowings	256,411	117,051
Current tax liabilities	1,622	2,778
Derivative liabilities	2,802	-
Total current liabilities	999,065	554,050
Total liabilities	1,078,767	630,796
Total equity and liabilities	1,944,512	1,473,119
Net assets per share attributable to owners of the Company (RM)	3.51	3.44

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2025 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 2026 (3RD QUARTER)

(The figures have not been audited)

	Note	Current/Preceding Qtr Ended 30.9.2026 RM'000	30.9.2025 RM'000	Cumulative Qtr YTD 30.9.2026 RM'000	30.9.2025 RM'000
Revenue	A9	260,662	154,098	622,351	559,588
Cost of sales, other income and operating expenses		(239,085)	(143,223)	(568,071)	(511,437)
Results from operating activities		21,577	10,875	54,280	48,151
Finance income		2,161	1,790	6,151	4,703
Finance costs		(2,302)	(1,329)	(6,139)	(3,110)
Operating profit	B5	21,436	11,336	54,292	49,744
Share of profit/(loss) of associates, net of tax		39	(166)	(208)	460
Profit before tax		21,475	11,170	54,084	50,204
Tax expense	B6	(5,135)	(4,344)	(14,112)	(17,133)
Profit for the period		16,340	6,826	39,972	33,071
Other comprehensive (expenses)/ income, net of tax					
Item that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		864	586	1,015	6,249
Other comprehensive income for the period, net of tax		864	586	1,015	6,249
Total comprehensive income for the period		17,204	7,412	40,987	39,320
Profit/(loss) attributable to:					
Owners of the Company		14,138	5,261	33,006	26,125
Non-controlling interests		2,202	1,565	6,966	6,946
Profit for the period		16,340	6,826	39,972	33,071
Total comprehensive income attributable to:					
Owners of the Company		15,002	5,871	34,112	32,223
Non-controlling interests		2,202	1,541	6,875	7,097
Total comprehensive income for the period		17,204	7,412	40,987	39,320
Earnings per ordinary share					
Basic (Sen)	B11	5.96	2.23	13.96	11.10
Diluted (Sen)	B11	5.93	2.22	13.91	11.02

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2025 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 2026 (3RD QUARTER)
(The figures have not been audited)

	Attributable to owners of the Company								
	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	Total attributable to owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
9 months ended 30 September 2026									
As at 1 January 2026	199,508	506	122,663	5,690	(3,006)	486,701	812,062	30,261	842,323
Profit/(loss) for the period	-	-	-	-	-	33,006	33,006	6,966	39,972
Foreign currency translation	-	1,106	-	-	-	-	1,106	(91)	1,015
Total comprehensive income for the period	-	1,106	-	-	-	33,006	34,112	6,875	40,987
Contribution by and distribution to owners of the Company									
- Transfer to share capital for share options exercised	1,076	-	-	(1,076)	-	-	-	-	-
- Share-based payments	-	-	-	515	-	-	515	-	515
- Issue of ordinary shares	3,336	-	-	-	-	-	3,336	-	3,336
- Dividends to shareholders	-	-	-	-	-	(21,416)	(21,416)	-	(21,416)
As at 30 September 2026	203,920	1,612	122,663	5,129	(3,006)	498,291	828,609	37,136	865,745
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 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

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 2025 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 2026 (3RD QUARTER)
(The figures have not been audited)

	Unaudited Year ended 30.9.2026 RM'000	Unaudited Year ended 30.9.2025 RM'000
Cash flows from operating activities		
Profit before tax	54,084	50,204
Adjustments for:		
Allowance for impairment losses on trade receivables	4,131	736
Amortisation of right-of-use assets	4,783	4,561
Capital (gain)/Loss on short-term funds	(51)	(58)
Depreciation of property, plant and equipment	22,340	23,013
Finance costs	6,139	3,110
Finance income	(6,151)	(4,703)
(Gain)/Loss on disposal of property, plant and equipment	(27)	(52)
(Gain)/loss on foreign exchange	(8,734)	(3,493)
(Gain)/loss on derivatives	6,587	(1,162)
Property, plant and equipment written off	26	1,488
Provision for warranties	1,896	5,453
Reversal of impairment losses	(5,357)	(10,603)
Reversal of provision for warranties	(4,979)	(8,356)
Share-based payments	515	909
Share of loss/(profit) of equity accounted associates	208	(460)
Bargain purchase (gain)	(6,736)	-
Write-back of Inventories	(426)	(1,290)
Writedown of inventories	-	90
Operating profit/(loss) before changes in working capital	68,248	59,387
Changes in working capital:		
Inventories	(26,510)	(2,707)
Payables and accruals	266,205	(32,037)
Receivables, deposits and prepayments	(216,512)	76,204
Cash generated from/(used in) operations	91,431	100,847
Interest received	6,144	4,692
Interest paid	(6,111)	(3,190)
Income tax paid	(17,426)	(20,082)
Warranties paid	(199)	(343)
Net cash generated from/(used in) operating activities	73,839	81,924
Cash flows from investing activities		
Acquisition of property, plant and equipment	(125,998)	(12,301)
Acquisition of subsidiary	(31,062)	-
Capital gain on short-term funds	51	58
Decrease/(Increase) in long-term funds	337	(19)
Proceeds from disposal of property, plant and equipment	1,125	88
Net cash generated from/(used in) investing activities	(155,547)	(12,174)

FAVELLE FAVCO BHD
Registration No.:199201017739 (249243-W)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2026 (3RD QUARTER)
(cont'd)

	Unaudited Year ended 30.9.2026 RM'000	Unaudited Year ended 30.9.2025 RM'000
Cash flows from financing activities		
Dividend paid to shareholders of the Company	(21,416)	(21,224)
Net proceeds/(repayment) of loans and borrowings	119,900	16,714
Proceeds from issuance of new shares	3,336	864
Net cash generated from/(used in) financing activities	101,820	(3,646)
Exchange differences on translation of the financial statements of foreign operations	6,380	(2,376)
Net increase/(decrease) in cash and cash equivalents	26,492	63,728
Cash and cash equivalents at 1 January	215,804	156,165
Effect of exchange rate fluctuations on cash held	3,622	28
Cash and cash equivalents at 30 September	245,918	219,921

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

	30.9.2026 RM'000	30.9.2025 RM'000
Cash and bank balances	87,352	98,718
Short Term Investment	41,836	43,404
Deposit placed with licensed banks	125,087	77,799
Cash and cash equivalents per balance sheet	254,275	219,921
Bank overdrafts	(8,357)	-
	245,918	219,921

The condensed consolidated cash flow statement 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 the interim financial statements.

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 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 year ended 31 December 2025.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2025 and for the adoption of the Amendments and Annual Improvements to Standards effective from 1 January 2026:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	
• Amendments to MFRS 9 and MFRS7: 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

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 Interpretations (Including the Consequential Amendments, if any)	Effective Date
• 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

A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The Auditors' Report of the financial statements for the preceding financial year ended 31 December 2025 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.

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 2026, a total of 1,953,000 new ordinary shares were issued at RM1.45 each, pursuant to the exercise of SIS granted in 2022.

A8. DIVIDEND PAID

A first & final tax-exempt dividend of 9.0 sen per ordinary shares totalling RM21.4 million in respect of the year ended 31 December 2025 was paid on 9 September 2026.

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	217,572	120,709	338,281
Outside Malaysia	284,070	-	284,070
	501,642	120,709	**622,351**
Profit before tax	27,405	26,679	**54,084**
Segment assets	1,754,262	190,250	1,944,512
Total assets	1,754,262	190,250	**1,944,512**
Segments liabilities	1,019,671	59,096	**1,078,767**

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 18 November 2026, 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 composition of the Group during the current quarter under review:-

During the financial quarter, Favelle Favco Machinery & Equipment L.L.C - S.P.C (formerly known as Favelle Favco Machinery & Equipment LLC) became a wholly-owned subsidiary of the Group with effect from 5 July 2026, following the completion of the acquisition of the remaining 51% equity interest in the company.

A13. CONTINGENT ASSETS/LIABILITIES

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

A14. CAPITAL COMMITMENTS

There were no materials capital comitments as at the date of this report.

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

B1. REVIEW OF THE GROUP PERFORMANCE (YTD Q3 2026 vs YTD Q3 2025)

The Group reported consolidated revenue of RM622.4 million with profit before tax of RM54.1 million as compared to revenue of RM559.6 million with profit before tax of RM50.2 million in the previous financial period ended 30 September 2025.

The increase in the group profit before tax was mainly due to increase in sales.

B2. COMPARISON WITH PRECEDING QUARTER RESULT (2026 Q3 vs 2026 Q2)

The Group recorded a revenue of RM260.7 million with profit before tax of RM21.5 million for the current quarter as compared to the revenue of RM208.5 million with profit before tax of RM22.3 million in the preceding quarter. Despite the increase in revenue, profit before tax decreased marginally by RM0.8 million, mainly because the preceding quarter had benefited from higher recoveries of previously impaired trade receivables.

B3. GROUP'S CURRENT YEAR PROSPECT

Despite the challenging outlook in the current market, the Group has outstanding order book of approximately RM1.416 billion (including order book of Intelligent Automation of RM133.7 million) as at 18 November 2026 from the global oil and gas, shipyard, construction, wind turbine industries and intelligent automation.

Amid the uncertain market environment, the Group continues to see encouraging signs of recovery in selected regions and market segments. Potential opportunities are emerging from the port and shipyard industry. The Group also sees encouraging opportunities arising from the continued growth in AI-related infrastructure investment. Nevertheless, ongoing geopolitical tensions in the Middle East and broader economic uncertainties may continue to affect market sentiment and investment activities. The Group will remain cautious while closely monitoring developments 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 30.9.2026 RM'000	Cumulative Qtr To-date 30.9.2026 RM'000
Operating profit is arrived at after (crediting)/charging the following:		
Depreciation and amortization	8,663	22,340
Allowance for impairment loss/(gain)	5,713	(1,226)
Foreign exchange (gain)/loss	(1,822)	(8,734)
(Gain)/loss on derivatives	1,197	6,587
(Gain)/loss on disposal of property, plant and equipment	(24)	(27)
Other Income	(855)	(1,436)
Finance costs	2,302	6,139
Interest income	(2,161)	(6,151)

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

B6. TAXATION

	Current Quarter 30.9.2026 RM'000	Cumulative Qtr To-date 30.9.2026 RM'000
Current tax expense		
Malaysian Tax	(3,445)	(8,519)
Overseas	(3,303)	(5,168)
	(6,748)	(13,687)
Deferred taxation expense		
Malaysian Tax	1,949	(311)
Overseas	(336)	(114)
	1,613	(425)
Total tax expense	**(5,135)**	**(14,112)**

The effective tax rate of the Group for the period ended 30 September 2026 is higher than the local statutory tax rate mainly due certain subsidiaries were making losses and certain expenses were not deductable for tax purpose.

B7. CORPORATE PROPOSAL

Save for the proposal mentioned on A12, there is no other proposal announced but pending implementation as at the date of this report.

B8. GROUP BORROWINGS AND DEBT SECURITIES

	Foreign currency		
	Currency	Amount	RM'000
a) Short term borrowings			
- Secured	RM	647	647
	DKK	13,498	8,357
	EUR	1,326	6,144
	Sub-total		15,148
- Unsecured	RM	197,607	197,607
	AUD	15,258	43,420
	EUR	51	236
	Sub-total		241,263
Total short term borrowings			**256,411**
b) Long term borrowings			
- Secured	RM	4,903	4,903
	Sub-total		4,903
Total long term borrowings			**4,903**
Total borrowings			**261,314**

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

B9. CHANGES IN MATERIAL LITIGATION

There are no material litigation that have material effect to the Group as at 18 November 2026 except for the followings: -

Litigation against the Company and Favelle Favco Cranes (USA) Inc

Supreme Court of the State of New York, County of New York

There are several Suits against the Company and its subsidiary, Favelle Favco Cranes (USA) Inc ("FFU"), together with other defendants, commenced by individual and/or companies in the Supreme Court of the State of New York, County of New York, in connection with an incident at a construction site in New York on 26 July 2023.

The official independent investigation report did not attribute the incident to any failure by the crane manufacturer.

Legal counsel appointed by the insurers to represent the Company and FFU have taken, and will continue to take, appropriate legal steps to defend the proceedings and seek the dismissal of the claims against the Company and FFU.

B10. PROPOSED DIVIDEND

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	Cumulative	Current	Cumulative
	30.9.2026		30.9.2026	
Net profit attributable to the owners of the Company (RM'000)	14,138	33,006	14,138	33,006
Weighted average number of ordinary shares in issue ('000)	237,317	236,366	237,317	236,366
Effect of dilution:				
Share options ('000)	-	-	937	937
Adjusted weighted average number of ordinary shares in issue and issuables ('000)	237,317	236,366	238,254	237,303
EPS (Sen)	5.96	13.96	5.93	13.91

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: 24 November 2026