



Good food. Good life

**NESTLÉ (MALAYSIA) BERHAD**  
(198301015532 (110925-W))  
(Incorporated in Malaysia)

The Directors are pleased to present the following report for the period ended 31 March 2026 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2026**

	3 months ended 31 March			3 months ended 31 March		
	2026 RM'000	2025 RM'000	%	2026 RM'000	2025 RM'000	%
<b>Revenue - Sale of goods</b>	<b>1,880,402</b>	<b>1,768,244</b>	<b>6.3%</b>	<b>1,880,402</b>	<b>1,768,244</b>	<b>6.3%</b>
Cost of sales	(1,281,209)	(1,220,934)		(1,281,209)	(1,220,934)	
<b>Gross profit</b>	<b>599,193</b>	<b>547,310</b>	<b>9.5%</b>	<b>599,193</b>	<b>547,310</b>	<b>9.5%</b>
Operating expenses	(314,682)	(317,793)		(314,682)	(317,793)	
<b>Operating profit</b>	<b>284,511</b>	<b>229,517</b>	<b>24.0%</b>	<b>284,511</b>	<b>229,517</b>	<b>24.0%</b>
Finance costs	(12,655)	(16,424)		(12,655)	(16,424)	
Finance income	71	29		71	29	
Share of profit/(loss) of an equity-accounted associate, net of tax	1	(78)		1	(78)	
<b>Profit before tax</b>	<b>271,928</b>	<b>213,044</b>	<b>27.6%</b>	<b>271,928</b>	<b>213,044</b>	<b>27.6%</b>
Income tax expense	(66,810)	(51,701)		(66,810)	(51,701)	
<b>Profit after tax</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>
Minority interests	-	-		-	-	
<b>Profit after tax and minority interest</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>
<b>Profit for the period</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>	<b>205,118</b>	<b>161,343</b>	<b>27.1%</b>
<b>Other comprehensive (expense)/ income, net of tax</b>						
<b>Item that may be reclassified to profit or loss in subsequent periods</b>						
Cash flow hedge	(1,450)	1,383		(1,450)	1,383	
<b>Total other comprehensive (expenses)/income for the period, net of tax</b>	<b>(1,450)</b>	<b>1,383</b>		<b>(1,450)</b>	<b>1,383</b>	
<b>Total comprehensive income for the period</b>	<b>203,668</b>	<b>162,726</b>	<b>25.2%</b>	<b>203,668</b>	<b>162,726</b>	<b>25.2%</b>
<b>Basic earnings per share (sen)</b>	<b>87.47</b>	<b>68.80</b>		<b>87.47</b>	<b>68.80</b>	
<b>Proposed/Declared dividend per share-net (sen)</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	
	<b>AS AT END OF CURRENT QUARTER</b>			<b>AS AT PRECEDING FINANCIAL YEAR END</b>		
<b>Net assets per share attributable to owners of the parent (RM)</b>		2.43			2.46	

This financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2026**

	As at 31.03.2026 RM'000	As at 31.12.2025 RM'000
<b>Assets</b>		
Property, plant and equipment	1,709,694	1,745,624
Right-of-use assets	211,096	220,917
Intangible assets	234,360	234,360
Investment in an associate	5,296	5,295
Deferred tax assets	9,718	9,940
Trade and other receivables	9,783	10,239
<b>Total non-current assets</b>	<b>2,179,947</b>	<b>2,226,375</b>
Trade and other receivables	516,414	491,988
Inventories	811,472	901,819
Current tax assets	-	20,398
Cash and bank balances	20,713	6,120
<b>Total current assets</b>	<b>1,348,599</b>	<b>1,420,325</b>
<b>Total assets</b>	<b>3,528,546</b>	<b>3,646,700</b>
<b>Equity</b>		
Share capital	267,500	267,500
Hedging reserve	(2,695)	(1,245)
Retained earnings	304,394	310,326
<b>Total equity attributable to owners of the parent</b>	<b>569,199</b>	<b>576,581</b>
<b>Liabilities</b>		
Lease liabilities	124,840	134,471
Employee benefits	21,050	21,165
Deferred tax liabilities	177,566	184,375
<b>Total non-current liabilities</b>	<b>323,456</b>	<b>340,011</b>
Trade and other payables	2,116,435	1,867,609
Loans and borrowings	425,649	788,495
Lease liabilities	39,591	39,604
Current tax liabilities	54,216	34,400
<b>Total current liabilities</b>	<b>2,635,891</b>	<b>2,730,108</b>
<b>Total liabilities</b>	<b>2,959,347</b>	<b>3,070,119</b>
<b>Total equity and liabilities</b>	<b>3,528,546</b>	<b>3,646,700</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>2.43</b>	<b>2.46</b>

This financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

	<i>Non-Distributable</i>		<i>Distributable</i>	<b>Total Equity RM'000</b>
	<b>Share capital RM'000</b>	<b>Hedging reserve RM'000</b>	<b>Retained earnings RM'000</b>	
	<b>At 1 January 2025</b>	267,500	3,141	
Cash flow hedge	-	1,383	-	1,383
Profit for the period	-	-	161,343	161,343
<b>Total comprehensive income for the period</b>	-	1,383	161,343	162,726
<u>Dividends to owners of the parent</u>				
- Interim dividend for the year 2024	-	-	(173,530)	(173,530)
<b>At 31 March 2025</b>	267,500	4,524	264,721	536,745
<b>At 1 January 2026</b>	267,500	(1,245)	310,326	576,581
Cash flow hedge	-	(1,450)	-	(1,450)
Profit for the period	-	-	205,118	205,118
<b>Total comprehensive income for the period</b>	-	(1,450)	205,118	203,668
<u>Dividends to owners of the parent</u>				
- Interim dividend for the year 2025	-	-	(211,050)	(211,050)
<b>At 31 March 2026</b>	267,500	(2,695)	304,394	569,199

This financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2026**

	<b>3 months ended 31.03.2026 RM'000</b>	<b>3 months ended 31.03.2025 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	271,928	213,044
<i>Adjustments for:</i>		
Amortisation and depreciation	57,613	55,840
Net finance costs	12,584	16,395
Gain on disposal of property, plant and equipment	(12,167)	(23)
Net write-down of slow moving inventories	3,343	5,170
<i>Add/Less:</i>		
Movement in working capital	89,735	72,748
Income tax paid	(32,725)	(31,250)
Others	9,543	864
<b>Net cash from operating activities</b>	<b>399,854</b>	<b>332,788</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(12,131)	(31,301)
Proceeds from disposal of property, plant and equipment	12,167	23
Others	71	29
<b>Net cash from/(used in) investing activities</b>	<b>107</b>	<b>(31,249)</b>
<b>Cash flows from financing activities</b>		
Finance costs paid	(12,655)	(16,424)
Repayment of borrowings	(370,000)	-
Payment of lease liabilities	(9,867)	(9,429)
<b>Net cash used in financing activities</b>	<b>(392,522)</b>	<b>(25,853)</b>
<b>Net increase in cash and cash equivalents</b>	<b>7,439</b>	<b>275,686</b>
<b>Cash and cash equivalents at 1 January</b>	<b>(32,375)</b>	<b>(243,456)</b>
<b>Cash and cash equivalents at 31 March</b>	<b>(24,936)</b>	<b>32,230</b>

This financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

## NOTES TO THE FINANCIAL REPORT

**1 Basis of preparation**

This financial report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, Interim Financial Reporting in Malaysia, Malaysian Financial Reporting Standards, and International Financial Reporting Standards. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2025.

2 There was no qualification made on the preceding audited financial statements.

3 The Group's operations are affected by economic cycles and festive seasons.

**4 Items affecting assets, liabilities, equity, net income or cash flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group.

**a. Property, plant and equipment**

As at the end of this quarter, the Group has acquired / disposed the following assets:

3 months ended 31 Mar 2026	
Assets acquired RM'000	Assets disposed / write-off RM'000
Buildings (improvements and additions) 283	-
Plant and machinery, tools, furniture and equipment (including Asset under construction) 11,847	492
Information systems 1	-
<b>12,131</b>	<b>492</b>

**b. Right-of-use**

As at the end of this quarter, the movement in the right-of-use assets is as follow:

3 months ended 31 Mar 2026	
Addition RM'000	Derecognition RM'000
Buildings 223	-
<b>223</b>	<b>-</b>

**5 Changes in estimates**

There were no significant changes in estimates for prior periods that have materially affected the results of this quarter.

**6 Debts and equity security**

There was no issuance of debts and equity security in this quarter.

**7 Dividends paid**

There was no dividend payment in this quarter.

**8 Operating segment**

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Chief Executive Officer and Chief Financial Officer.

The Group is focused in two areas of activity, Food & Beverages and Others which include Nutrition, Nestlé Professional, Nestlé Health Science and NESPRESSO.

**Segment revenue and results**

Revenue  
Operating Profit

3 months ended 31 March 2026		
Food & Beverages RM'000	Others RM'000	Total RM'000
1,520,117	360,285	1,880,402
222,261	62,912	285,173

**Segment revenue and results**

Revenue  
Operating Profit

3 months ended 31 March 2025		
Food & Beverages RM'000	Others RM'000	Total RM'000
1,404,306	363,938	1,768,244
171,105	58,899	230,004

The comments on page 6 apply to both segments Food & Beverages (81% of total sales) and Others (19% of total sales).

**Reconciliations of reportable segment operating profit:**

Total operating profit for reported segments  
Other unallocated expense

**Consolidated operating profit**

	3 months ended 31.03.2026 RM'000	3 months ended 31.03.2025 RM'000
	285,173	230,004
	(662)	(487)
	<b>284,511</b>	<b>229,517</b>

**9 Valuation of property, plant and equipment**

There were no changes or amendments to the valuation of property, plant and equipment from the previous annual financial statements.

**10 Material events subsequent to the current quarter**

There were no material events subsequent to the current quarter up to the date of this report.

**11 Changes in the composition of the Group**

There were no changes in the composition of the Group in this quarter.

**12 Changes in contingent liabilities**

As of the date of this report, there were no other contingent liabilities to the Group.

**13 Related party transactions**

Transactions related to Nestlé S.A. and companies owned by Nestlé S.A. and other affiliates are as follows:

Sales of goods  
Rendering of services  
Purchases of goods and services  
Purchases of plant and equipment  
Royalty expenses  
IT shared service expenses

3 months ended 31.03.2026 RM'000
338,435
12,626
554,732
6,241
94,292
14,923

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

### 1 Review of performance (Quarter 1, 2026 vs Quarter 1, 2025)

For the first quarter ended 31 March 2026, the Group delivered an improved performance compared with the corresponding quarter in the previous year, reflecting the strength of its underlying business fundamentals and the Group's ability to execute with discipline and consistency in a dynamic operating environment.

Revenue for the quarter was RM1.88 billion, an increase of 6.3% compared to the first quarter ended 31 March 2025. Revenue growth was primarily supported by resilient domestic demand, particularly during the festive period, alongside continued contribution from export markets. This performance underscores the robustness of the Group's diversified portfolio and the sustained relevance of its trusted brands across consumer segments and consumption occasions.

Profit Before Tax for the quarter increased to RM271.9 million, while Profit After Tax rose to RM205.1 million compared to the same period last year. The improvement was driven by solid topline growth, disciplined cost management and ongoing operational efficiencies across the value chain. These actions have enabled the Group to mitigate external cost pressures while maintaining flexibility to continue investing prudently in its brands, capabilities and long-term growth.

To support operational resilience, the Group continued to strengthen its local sourcing capabilities through its Farmer Connect programmes covering key raw ingredients such as chilli, paddy, coffee and cocoa, contributing to supply reliability and stability across the value chain. Additionally, Nestlé Malaysia remains committed to deepening its community support initiatives, particularly during periods of heightened need. During the first quarter, the Company expanded its nationwide Ramadan outreach, distributing nutritious meals and food kits to over 300,000 Malaysians through close collaboration with relevant stakeholders. This reflects the Company's continued focus on supporting community resilience alongside delivering robust commercial and financial performance.

### 2 Variation of results against previous quarter (Quarter 1, 2026 vs Quarter 4, 2025)

Revenue in Q1 2026 was RM1.88 billion, 11.8% higher compared with the preceding quarter ended 31 December 2025. The growth was broad-based across the Group's diversified portfolio, reflecting the sustained relevance of its trusted brands across consumer segments and consumption occasions.

Profit Before Tax was RM271.9 million and Profit After Tax was RM205.1 million, primarily due to solid topline growth, disciplined cost management and ongoing operational efficiencies across the value chain.

### 3 Current year prospects

The external environment in 2026 is expected to be defined by volatility and increased uncertainty. Nevertheless, the Group remains confident in the strength of its fundamentals and its ability to ensure continuity in this context. Its diversified portfolio of trusted brands, extensive local manufacturing footprint and broad distribution network, in combination with its downstream supply chain capabilities, continue to provide a solid foundation to navigate the current environment and deliver another year of resilient commercial and financial results.

For the current financial year, the Group will focus on maintaining brand relevance and accessibility, ensuring consistent execution across all channels and managing costs with discipline. These priorities are expected to support performance continuity while positioning the Group for sustainable long-term growth.

### 4 Profit forecast

We do not issue any profit forecast.

### 5 Income tax expense

#### Current tax

Malaysian - Current period

#### Total current tax expense

#### Deferred tax

Origination and reversal of temporary differences

#### Total deferred tax income

#### Total income tax expense

3 months ended 31.03.2026 RM'000
72,939
<b>72,939</b>
(6,129)
<b>(6,129)</b>
<b>66,810</b>

The Group's effective tax rates for the current quarter was 24.6% which was slightly higher than the 24.0% statutory tax rate mainly due to certain expenses not deductible for tax purpose.

### 6 Unquoted investments

Not applicable in this quarter.

### 7 Quoted investments

Not applicable to the Group.

### 8 Status of corporate proposals

There were no corporate proposals announced but not completed at the date of this report.

**9 Loans and borrowings**

Group Borrowings and Debt Securities are:

**Short term - Unsecured loans**

Revolving credits

Bank overdraft

Loan from a financial institution

**Total short term loans**

As at 31.03.2026 RM'000
80,000
45,649
300,000
<b>425,649</b>

**10 Derivatives****a. Summary of outstanding derivative assets / (liabilities) as at 31.03.2026 :**

Type of derivatives	Notional Value RM'000	Fair Value RM'000	Difference RM'000	Ageing
Forward exchange contracts	1,315,469	1,310,192	(5,277)	Less than 1 year

**b. Fair value changes of financial liabilities**

Other than derivatives which are classified as liabilities only when they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

**11 Material litigation**

As of the date of this report, there were no material litigations against the Group.

**12 Dividend**

No dividend is proposed in this quarter.

**13 Profit for the period**

Profit for the period is arrived at after charging/(crediting) the following:

Depreciation of property, plant and equipment  
 Depreciation of right-of-use assets  
 Finance cost of lease liabilities  
 Property, plant and equipment written off  
 Gain on disposal of property, plant and equipment  
 Net loss/(gain) on derivatives  
 Allowance for expected credit loss on trade receivables  
 Net write-down of slow moving inventories  
 Net foreign exchange (gain)/loss

3 months ended 31 March	
2026 RM'000	2025 RM'000
47,569	45,870
10,044	9,970
1,806	2,185
492	13
(12,167)	(23)
44	(11)
265	85
3,343	5,170
(16,770)	10,814

**14 Basic earnings per share****a. Basic earnings per share**

The calculation of the basic earnings per share is based on the net profit attributable to ordinary shareholders of RM205.1 million (RM161.3 million in March 2025) and the number of ordinary shares outstanding of 234.5 million (234.5 million in March 2025).

**b. Diluted earnings per share**

Not applicable for the Group.

**BY ORDER OF THE BOARD**  
 Tengku Ida Adura Binti Tengku Ismail  
 Company Secretary  
 (SSM PC No. 201908001581)  
 (MACS 01686)

**Date : 28 April, 2026**