

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (unaudited)**

	Individual Period 3 month Period Ended			Cumulative Period 9 month Period Ended		
	30/09/25 RM'000	30/09/24 RM'000	Changes Amt/%	30/09/25 RM'000	30/09/24 RM'000	Changes Amt/%
Revenue	2,478	5,086	(2,608)/51%	7,824	12,417	(4,593)/37%
Cost of sales	(2,410)	(3,349)	(939)/28%	(5,773)	(7,299)	1,526/21%
Gross profit	68	1,737	(1,669)/96%	2,051	5,118	(3,067)/(60)%
Other income	644	119	525/>100%	731	159	572/>100%
Administrative expenses	(1,064)	(683)	(381)/56%	(2,750)	(1,782)	(968)/54%
Selling and marketing expenses	(478)	(263)	(215)/82%	(1,086)	(683)	(403)/59%
Other expenses	(1,195)	(719)	(476)/39%	(2,469)	(1,742)	(727)/41%
Operating (loss)/profit	(2,025)	191	(2,392)/>100%	(3,523)	1,071	(4,594)/>100%
Finance costs	(26)	-	(26)/>100%	(81)	(2)	(79)/>100%
(Loss)/Profit before tax	(2,051)	191	(2,242)/>100%	(3,604)	1,069	(4,673)/>100%
Income tax expense	-	-	-	-	-	-
(Loss)/Profit for the period, representing total comprehensive income for the year	(2,051)	191	(2,242)/>100%	(3,604)	1,069	(4,673)/>100%

The condensed consolidated statement of comprehensive income 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.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (unaudited) (CONTD.)**

	Individual Period			Cumulative Period		
	3 month Period Ended			9 month Period Ended		
	30/09/25	30/09/24	Changes	30/09/25	30/09/24	Changes
	RM'000	RM'000	Amt/%	RM'000	RM'000	Amt/%
(Loss) / Profit attributable to:						
Equity holders of the parent	(2,050)	187	(2,237)/>100%	(3,601)	1,053	(4,654)/>100%
Non-controlling interests	(1)	4	(5)/>100%	(3)	16	(19)/>100%
	(2,051)	191	(2,242)/>100%	(3,604)	1,069	(4,673)/>100%
Total comprehensive (loss) / income attributable to:						
Equity holders of the parent	(2,050)	187	(2,237)/>100%	(3,601)	1,053	(4,654)/>100%
Non-controlling interests	(1)	4	(5)/>100%	(3)	16	(19)/>100%
	(2,051)	191	(2,242)/>100%	(3,604)	1,069	(4,673)/>100%
(Loss) / Profit per share attributable to equity holders of the parent: (sen per share)						
- basic	(0.39)	0.03	(0.42)/>100 %	(0.70)	0.21	(0.91)/>100%
- diluted	(0.35)	0.03	(0.38)/>100%	(0.62)	0.18	(0.80)/>100%

The condensed consolidated statement of comprehensive income 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.

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

	30/09/25	31/12/24
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	4,441	4,725
Intangible assets	8,459	5,488
Right of use asset	1,247	1,569
Deferred tax asset	394	394
Other receivables	2,183	2,183
	16,725	14,359
Current assets		
Inventories	2	14
Trade and other receivables	10,341	10,422
Contract assets	95	407
Marketable securities	7	7
Tax recoverables	330	205
Cash and bank balances	1,034	3,740
	11,809	14,795
TOTAL ASSETS	28,534	29,154
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	23,143	22,922
Treasury shares	(712)	(712)
Reserves	3,624	3,624
(Accumulated losses)/ Retained earnings	(3,050)	551
Shareholders' funds	23,005	26,385
Non-controlling interests	(179)	(176)
Total equity	22,826	26,209

The condensed consolidated statement of financial position 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.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025 (unaudited) (CONTD.)**

	30/09/25	31/12/24
	RM'000	RM'000
	(Unaudited)	(Audited)
Non-current liabilities		
Deferred taxation	70	70
Lease liabilities	1,345	1,345
	1,415	1,415
Current liabilities		
Trade and other payables	4,048	1,243
Contract liabilities	60	36
Lease liabilities	185	251
	4,293	1,530
Total liabilities	5,708	2,945
TOTAL EQUITY AND LIABILITIES	28,534	26,145
Net Assets Per Share (RM/share)	0.04	0.05

The condensed consolidated statement of financial position 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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (unaudited)

	Share Capital RM'000	Treasury Shares RM'000	Other Reserve RM'000	Capital Reduction Reserve RM'000	Warrants Reserve RM'000	(Accumulated losses)/ Retained Earnings RM'000	Equity Attributable to Equity Holders of the Parent Company RM'000	Non- Controlling Interest RM'000	Total Equity
As at 1 January 2025	22,922	(712)	(1,395)	3,624	1,395	551	26,385	(176)	26,209
Conversion of warrants	221		69		(69)	-	221	-	221
Total comprehensive loss	-	-	-	-	-	(3,601)	(3,601)	(3)	(3,604)
As at 30 September 2025	23,143	(712)	(1,326)	3,624	1,326	(3,050)	23,005	(179)	22,826

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (unaudited)

	Share Capital RM'000	Treasury Shares RM'000	Other Reserve RM'000	Capital Reduction Reserve RM'000	Warrants Reserve RM'000	Retained Earnings RM'000	Equity Attributable to Equity Holders of the Parent Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
As at 1 January 2024	21,367	(712)	(1,936)	3,624	1,936	1,486	25,765	(2,129)	23,636
Conversion of warrants	1,389	-	434	-	(434)	-	1,389	-	1,389
Disposal of subsidiaries	-	-	-	-	-	-	-	9	9
Total comprehensive (loss)/income	-	-	-	-	-	(221)	(221)	1,289	1,068
As at 30 September 2024	22,756	(712)	(1,502)	3,624	1,502	1,265	26,933	(831)	26,102

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025 (unaudited)**

	30/09/25
	RM'000
	(Unaudited)
Cash flows from operating activities	
Loss before tax	(3,604)
Adjustments for:	
Depreciation of property, plant and equipment	1,675
Gain on disposal of property, plant and equipment	(359)
Loss on foreign exchange - unrealised	2
Changes in inventories	12
Interest expense	81
Operating loss before working capital changes	(2,193)
Changes in working capital	
Net change in trade & other receivables	78
Net change in trade & other payables	2,806
Net change in contract assets	313
Net change in contract liabilities	24
	(1,028)
Interest paid	(81)
Tax paid	(127)
Net cash generated from operating activities	820
Cash flows from investing activities	
Purchase of property, plant and equipment	(797)
Additions to intangible assets	(3,002)
Additions to right of use asset	118
Net cash used in investing activities	(3,681)
Cash flows from financing activities	
Proceeds from issuance of shares – warrants conversion	221
Repayment of Lease liabilities	(66)
Net cash generated from financing activities	155
Net decrease in cash and cash equivalents	(2,706)
Cash and cash equivalents at beginning of financial year	3,740
Cash and cash equivalents at end of financial period	1,034

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 SEPTEMBER 2025****1. Corporate Information**

FSBM Holdings Berhad ("FSBM") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad ("BMSB"). FSBM and its subsidiaries are hereinafter referred to as the "Group".

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 November 2025.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The condensed consolidated interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the explanatory notes attached to the condensed consolidated interim financial statements which provide an explanation on events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024. Certain comparative figures have been reclassified.

3. Significant Accounting Policies

The adoption of the new and amended MFRSs that came into effect during the financial quarter under review do not have any material effect on the financial performance or position of the Group.

On 1 January 2025, the Group has adopted the following new and amended Malaysian Financial Reporting Standards ("MFRSs") and Issues Committee ("IC") Interpretation mandatory for annual financial periods beginning on or after 1 January 2025:

Amendments to MFRS 121

Lack of Exchangeability

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 SEPTEMBER 2025**

3. Significant Accounting Policies (CONTD.)

The adoption of the new and amended MFRSs that came into effect during the financial quarter under review do not have any material effect on the financial performance or position of the Group.

The following Standards, Amendments and IC Interpretations have been issued by the MASB but have not been effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

- Classification and Measurement of Financial Instruments.

Annual Improvements to MFRS Accounting Standards – Volume 11

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

- Contracts Referencing Nature-dependent Electricity.

Effective for financial periods beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 19 Subsidiaries without Public Accountability: Disclosures.

Deferred Effective Date (Yet to be Announced)

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 SEPTEMBER 2025****4. Auditors' Report on Preceding Annual Financial Statements**

The preceding audited financial statements for the financial year ended 31 December 2024 was not subject to any modification.

5. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any significant seasonal or cyclical factors.

6. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

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

7. Material Changes in Estimates

There were no material changes in estimates that have had any material effect on results of the financial period under review.

8. Issuances and Repayment of Debt and Equity

During the quarter under review, 3,198,500 new ordinary shares were issued from the conversion of warrants.

Save for the above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

9. Dividend Paid

There were no dividends paid during the financial period under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 SEPTEMBER 2025**
10. Segment Reporting

Segmental information for the financial period under review is presented in respect of the Group's business segment, as follows:

	Individual Quarter		Cumulative Period	
	3 month Period Ended	3 month Period Ended	9 month Period Ended	9 month Period Ended
	30/09/25	30/09/24	30/09/25	30/09/24
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Intelligent Application and Digital Solutions	2,486	2,989	6,843	8,086
Managed Security Service	-	64	-	649
Smart Manufacturing Solutions	38	1,014	1,035	2,875
Investment Holdings & Others	-	1,079	49	1,079
Total Revenue Including Inter-Segment Sales	2,524	5,146	8,117	12,689
Elimination of Inter-Segment Sales	(46)	(60)	(293)	(272)
Total Segment Revenue	2,478	5,086	7,824	12,417

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS
134 FOR THE QUARTER ENDED 30 SEPTEMBER 2025**
10. Segment Reporting (CONTD.)

	Individual Quarter		Cumulative Period	
	3 month Period Ended	3 month Period Ended	9 month Period Ended	9 month Period Ended
	30/09/25	30/09/24	30/09/25	30/09/24
	RM'000	RM'000	RM'000	RM'000
Segment Results				
Intelligent Application and Digital Solutions	(525)	465	(557)	1,645
Managed Security Service	(30)	35	(62)	388
Smart Manufacturing Solutions	(1,093)	(1)	(1,917)	(2)
Investment Holdings & Others	(403)	(304)	(1,068)	(960)
Total Results Including Inter-Segment Transactions				
	(2,051)	195	(3,604)	1,073
Elimination	-	(4)	-	(4)
Total (Loss)/Profit	(2,051)	191	(3,604)	1,069

11. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the quarter under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS
134 FOR THE QUARTER ENDED 30 SEPTEMBER 2025****12. Subsequent Material Events**

- (i) The Company announced on 22 October 2025 its wholly owned subsidiary, FSBM I-Command Sdn. Bhd entered into a Memorandum of Understanding with Nanyang Petal Sdn. Bhd. for the proposed collaboration and cooperation on integrating advanced artificial intelligence (AI) and Internet of Things (IoT) technologies into the palm oil plantation sector.
- (ii) Subsequent to the third quarter of 2025, 200,000 new ordinary shares were issued arising from the conversion of warrants. Each warrant entitles the registered warrant holder to subscribe for one new ordinary share in the Company at an exercise price of RM0.05 per ordinary share.
- (iii) On 30 October 2025, the Company had announced that it proposed to undertake a proposed private placement of up to 51,562,037 new FSBM Shares ("Placement Shares"), representing 10.0% of the total number of issued FSBM Shares (excluding treasury shares) at an issue price to be determined and announced at a later date.

Save for the above, there are no other material events subsequent to the end of the current reporting quarter other than as disclosed in Part B: Explanatory Notes No. 6 Corporate Proposal.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group during the third quarter ended 30 September 2025.

14. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities nor contingent assets as at 30 September 2025.

15. Capital Commitments

There are no material capital commitments as at the date of this report.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2025**1. Review of Performance (Q3 2025)**

The Group's revenue for current quarter was RM2.47 million, compared to RM5.09 million in the corresponding quarter mainly due to lower project deliveries during the quarter.

The Group posted a loss after tax of RM2.05million in the current quarter compared to a profit of RM191,000 in the corresponding quarter, primarily attributable to the decline in revenue while operating and overhead expenses remained high.

2. Comment on Material Change in Loss Before Taxation (Q3 2025 v Q2 2025)

The Group registered a loss of RM2.05million in the current quarter, compared to a loss of RM781,000 in the preceding quarter due to the elevated operating expenditures.

3. Prospects

The Group remains committed to delivering intelligent, trusted, and secure digital solutions with a focus on Smart Manufacturing, Intelligent Applications and Digital Solutions, and Managed Security Services. These areas will continue to support the Group's role in driving digital transformation and strengthening business resilience.

While market conditions remain challenging, demand for AI-driven solutions, blockchain-enabled systems, and cybersecurity enhancements is expected to sustain. The Group will continue to broaden its service offerings and recurring revenue streams through managed technology solutions, while integrating risk management and ESG practices across its operations. With these initiatives, the Group is positioned to capture growth opportunities and deliver sustainable value to stakeholders.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (CONTD.)
4. Profit Forecast

There was no profit forecast issued by the Group.

5. Income Tax Expense

There was no income tax expense during the quarter under review.

6. Corporate Proposal

On 30 October 2025, the Company had announced that it proposed to undertake a proposed private placement of up to 51,562,037 new FSBM Shares ("Placement Shares"), representing 10.0% of the total number of issued FSBM Shares (excluding treasury shares) at an issue price to be determined and announced at a later date.

Bursa Securities had vide its letter dated 7 November 2025 had approved the listing and quotation of up to 51,562,037 new FSBM Shares to be issued pursuant to the Proposed Private Placement.

7. Status of Utilisation of Proceeds

On 26 September 2023, the Company successfully completed the Shares Issuance and Rights Issue with Warrants which raised RM11.9 million. As to date, status of utilisation of the proceeds are as follows:-

Details of Utilisation	Proposed Utilisation	Actual Utilised as at 30 September 2025	Balance proceeds unutilised before reallocation	Reallocation of Proceeds per Announcement on 30 September 2025	Balance utilisation after Variation	Balance	Timeframe of utilisation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Expansion of IT services business	5,907	4,707	1,200	(1,200)	-	-	Within 36 months
General working capital	3,993	3,993	-	1,200	(959)	241	Within 24 months
Defray estimated expenses for the Regularisation Plan	2,000	2,000	-	-	-	-	Within 3 months
	11,900	10,700	1,200	-	(959)	241	

Note:

RM1.2 million which was initially allocated for setting up a security operations center. The reallocation was intended to better support the Group's operational needs, particularly staff costs and administrative expenses.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (CONTD.)**8. Group Borrowings and Debt Securities**

There were no group borrowings and debt securities as at 30 September 2025.

9. Material Litigation**FSBM and FSBM CTech Suit against Individuals and Technitium Sdn Bhd (TSB):**

We refer to action taken by FSBM and FSBM CTech against TSB for the recovery of debts amounting to RM8,563,212.64 and RM32,409,434.77 respectively. FSBM and FSBM CTech had filed a suit in the High Court against Dr Azman Bin Awang (Azman), Haliza Binti Bidin (Haliza), Mariana Binti Ahmad Tahar and TSB as 4th Defendant. Judgement was delivered on 6 January 2017 where Azman and Haliza were held jointly and severally liable and personally responsible, without any limitation of liability, for all the debts or other liabilities of TSB.

Following updates from the liquidator, bankruptcy proceedings were initiated against Prof. Emeritus Dr. Azman Bin Awang and Haliza Binti Bidin, with Creditor's Petitions filed on 16 August 2024. Bankruptcy Orders have since been obtained against both individuals, and no further legal action can be taken against them. In respect of Azman, a public examination was called by Official Assignee ("OA") of Johor Branch was held on 13 November 2025 at the High Court of Malaya, Johor Bahru. The Court has fixed a further public examination on 23 January 2026. Meanwhile, the Official Assignee of Selangor has approved a monthly instalment arrangement for Haliza. FSBM and FSBM CTech are continuing their efforts to recover the outstanding sum from TSB or its directors, Azman and Haliza.

There is no other outstanding material litigation as at 30 September 2025.

10. Dividend

No dividend has been recommended or declared for the financial period under review.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (CONTD.)
11. (Loss) / Profit Per Share ("EPS")

The basic and diluted (Loss) / Profit per share have been calculated based on the consolidated net (Loss) / Profit attributable to equity holders of the parent for the financial period and the weighted average number of ordinary shares outstanding during the period as follows:

	3 month Period Ended	
	30/09/2025	30/09/2024
	RM'000	RM'000
(Loss) / Profit attributable to equity holders of the Parent Company	(2,050)	187
<u>Basic EPS:</u>		
Weighted average number of ordinary shares, excluding treasury shares ('000)	512,346	490,460
Basic EPS (sen)	(0.40)	0.03
<u>Diluted EPS:</u>		
Weighted average number of ordinary shares for basic EPS excluding treasury shares ('000)	512,346	490,460
Effect of dilution:		
- Exercise of Warrants ('000 units)	3,198	71,003
Weighted average number of ordinary shares for diluted EPS, excluding treasury shares ('000)	515,544	561,463
Diluted EPS (sen)	(0.39)	0.03

12. (Loss) / Profit Before Tax

	3 month Period Ended	
	30/09/25	30/09/24
	RM'000	RM'000
Gain on disposal of subsidiaries	-	(14)
Other payables written back	-	(25)
Depreciation of property, plant and equipment	977	134
Amortisation of right of use assets	197	7
Amortisation of intangible assets	155	104