

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2025 (unaudited)**

	Individual Period 3 month Period Ended			Cumulative Period 3 month Period Ended		
	31/03/25 RM'000	31/03/24 RM'000	Changes Amt/%	31/03/25 RM'000	31/03/24 RM'000	Changes Amt/%
Revenue	1,785	3,884	(2,099)/54%	1,785	3,884	(2,099)/54%
Cost of sales	(781)	(2,135)	1,354/63%	(781)	(2,135)	1,354/63%
Gross profit	1,004	1,749	(745)/43%	1,004	1,749	(745)/43%
Other income	48	8	40/>100%	48	8	40/>100%
Administrative expenses	(839)	(485)	(354)/73%	(839)	(485)	(354)/73%
Selling and marketing expenses	(361)	(132)	(229)/>100%	(361)	(132)	(229)/>100%
Other expenses	(596)	(441)	(155)/35%	(596)	(441)	(155)/35%
Operating (loss)/profit	(744)	699	(1,443)/>100%	(744)	699	(1,443)/>100%
Finance costs	(28)	(2)	(26)/>100%	(28)	(2)	(26)/>100%
(Loss)/Profit before tax	(772)	697	(1,469)/>100%	(772)	697	(1,469)/>100%
Income tax expense	-	(36)	36/100%	-	(36)	36/100%
(Loss)/Profit for the period, representing total comprehensive income for the year	(772)	661	(1,433)/>100%	(772)	661	(1,433)/>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 31 MARCH 2025 (unaudited) (CONTD.)**

	Individual Period 3 month Period Ended			Cumulative Period 3 month Period Ended		
	31/03/25 RM'000	31/03/24 RM'000	Changes Amt/%	31/03/25 RM'000	31/03/24 RM'000	Changes Amt/%
(Loss) / Profit attributable to:						
Equity holders of the parent	(771)	654	(1,425)/>100%	(771)	654	(1,425)/>100%
Non-controlling interests	(1)	7	(8)/>100%	(1)	7	(8)/>100%
	(772)	661	(1,433)/>100%	(772)	661	(1,433)/>100%
Total comprehensive (loss) / income attributable to:						
Equity holders of the parent	(771)	654	(1,425)/>100%	(771)	654	(1,425)/>100%
Non-controlling interests	(1)	7	(8)/>100%	(1)	7	(8)/>100%
	(772)	661	(1,433)/>100%	(772)	661	(1,433)/>100%
(Loss) / Earning per share attributable to equity holders of the parent: (cent per share)						
- basic	(0.15)	0.14	(0.29)/>100%	(0.15)	0.14	(0.29)/>100%
- diluted	(0.15)	0.11	(0.26)/>100%	(0.15)	0.11	(0.26)/>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 31 MARCH 2025 (unaudited)

	31/03/25	31/12/24
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	5,033	4,725
Intangible assets	7,489	5,488
Right of use asset	1,383	1,569
Deferred tax asset	394	394
Other receivables	2,183	2,183
	16,482	14,359
Current assets		
Inventories	15	14
Trade and other receivables	9,410	10,422
Contract assets	221	407
Marketable securities	7	7
Tax recoverables	252	205
Cash and bank balances	2,635	3,740
	12,540	14,795
TOTAL ASSETS	29,022	29,154
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	22,968	22,922
Treasury shares	(712)	(712)
Reserves	3,624	3,624
Accumulated (loss) / profit	(220)	551
Shareholders' funds	25,660	26,385
Non-controlling interests	(177)	(176)
Total equity	25,483	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 31 MARCH 2025 (unaudited) (CONTD.)**

	31/03/25	31/12/24
	RM'000	RM'000
	(Unaudited)	(Audited)
Non-current liabilities		
Deferred taxation	70	70
Lease liabilities	1,345	1345
	1,415	1,415
Current liabilities		
Trade and other payables	1,753	63
Contract liabilities	3	36
Tax payable	45	-
Lease liabilities	323	251
	2,124	1,530
Total liabilities	3,539	2,945
TOTAL EQUITY AND LIABILITIES	29,022	29,154
Net Assets Per Share (RM/share)	0.05	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 31 MARCH 2025 (unaudited)

	Share Capital RM'000	Treasury Shares RM'000	Other Reserve RM'000	Capital Reduction Reserve RM'000	Warrants Reserve RM'000	Accumulated Profit / (loss) 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	46	-	14	-	(14)	-	46	-	46
Total comprehensive income	-	-	-	-	-	(771)	(771)	(1)	(772)
As at 31 March 2025	22,968	(712)	(1,381)	3,624	1,381	(220)	25,660	(177)	25,483

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2025 (unaudited)

	Share Capital RM'000	Treasury Shares RM'000	Other Reserve RM'000	Capital Reduction Reserve RM'000	Warrants Reserve RM'000	Accumulated Profit / (loss) 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	131	-	45	-	(45)	-	131	-	131
Total comprehensive income	-	-	-	-	-	654	654	7	661
As at 31 March 2024	21,498	(712)	(1,891)	3,624	1,891	2,140	26,586	(2,122)	24,428

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025 (unaudited)**

31/03/25
RM'000
(Unaudited)

Cash flows from operating activities	(772)
Loss before tax	
Adjustments for:	
Gain on disposal of subsidiaries	
Depreciation of property, plant and equipment	407
Loss on foreign exchange - unrealised	2
Changes in inventories	(1)
Interest income	(8)
Interest expense	28
Operating loss before working capital changes	(344)
Changes in working capital	
Net change in receivables	1,012
Net change in trade & other payables	553
Net change in contract assets	186
Net change in contract liabilities	(33)
	1,374
Interest paid	(28)
Interest received	8
Tax paid	(47)
Net cash generated from operating activities	1,307
Cash flows from investing activities	
Purchase of property, plant and equipment	(600)
Additions to intangible assets	(2,048)
Additions to right of use asset	118
Net cash used in investing activities	(2,530)
Cash flows from financing activities	
Proceeds from issuance of shares – warrants conversion	46
Lease liabilities	72
Net cash from financing activities	118
Net decrease in cash and cash equivalents	(1,105)
Cash and cash equivalents at beginning of financial year	3,740
Cash and cash equivalents at end of financial period	2,635

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 MARCH 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 30 May 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.

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 2024:

Amendments to MFRS 16	Lease Liability in a Sales and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current
Amendments to MFRS 7 and MFRS 107	Supplier Finance Arrangement

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 MARCH 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 the financial periods beginning on or after 1 January 2025

Amendments to MFRS 121

Lack of Exchangeability

Effective date to be announced

Amendments to MFRS 10 and MFRS 128

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 31 MARCH 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, 910,100 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 dividend paid during the financial period under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 MARCH 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	3 month Period Ended	3 month Period Ended
	31/03/25	31/03/24	31/03/25	31/03/24
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Intelligent Application and Digital Solutions	1,429	3,483	1,429	3,483
Managed Security Service	-	291	-	291
Smart Manufacturing Solutions	473	855	473	855
Investment Holdings & Others	49	-	49	-
Total Revenue Including Inter-Segment Sales	1,951	4,005	1,951	4,005
Elimination of Inter-Segment Sales	(166)	(121)	(166)	(121)
Total Segment Revenue	1,785	3,884	1,785	3,884

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 MARCH 2025**
10. Segment Reporting (CONTD.)

	Individual Quarter 3 month Period Ended		Cumulative Period 3 month Period Ended	
	31/03/25 RM'000	31/03/24 RM'000	31/03/25 RM'000	31/03/24 RM'000
Segment Results				
Intelligent Application and Digital Solutions	(43)	864	(43)	864
Managed Security Service	(7)	138	(7)	138
Smart Manufacturing Solutions	(410)	(1)	(410)	(1)
Investment Holdings & Others	(312)	(340)	(312)	(340)
Total Results Including Inter- Segment Transactions	(772)	661	(772)	661
Elimination	-	-	-	-
Total (Loss)/Profit	(772)	661	(772)	661

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 31 MARCH 2025****12. Subsequent Material Events**

Subsequent to the first quarter of 2025, 100,000 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.

Save for the above, there are no other material events.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 March 2025.

14. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities nor contingent assets as at 31 March 2025.

15. Capital Commitments

Capital commitments for intangible assets not provided for as at 31 March 2025 were as follows:-

	As At 31/03/25 RM'000
Approved and contracted for	<u>316</u>

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2025**1. Review of Performance (Q1 2025)**

The Group's revenue for current quarter was RM1.78 million, compared to RM3.88 million in the corresponding quarter. The Group registered lower revenue on Smart Manufacturing Segment and Intelligent Applications and Digital Solutions Segment.

Due to lower revenue, the Group posted a loss after tax of RM772,000 in the current quarter compared to a profit of RM661,000 in the corresponding quarter.

2. Comment on Material Change in (Loss) / Profit Before Taxation (Q1 2025 v Q4 2024)

The Group registered a loss of RM772,000 in the current quarter, compared to loss of RM 35,000 in the preceding quarter due to mainly due to lower revenue and lower margin contributions during the period..

3. Prospects

The Group remains focused on delivering specialised services across its core business segments in Smart Manufacturing, Intelligent Applications and Digital Solutions, and Cybersecurity. While current market conditions remain challenging, the Group continues to observe steady demand for digital transformation initiatives, particularly in AI-driven solutions, IoT integration, and cybersecurity enhancement.

As businesses adapt to evolving economic conditions and operational complexities, the Group's solutions are well-positioned to support improvements in efficiency, scalability, and resilience. Moving forward, the Group will continue to invest in strengthening its AI capabilities and data-driven platforms, with the aim of enabling clients to optimise operations and unlock long-term growth opportunities in a digital-first environment.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2025 (CONTD.)
4. Profit Forecast

There was no profit forecast issued by the Group.

5. Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	Current year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	to Date	Corresponding
	31.03.2025	Quarter	31.03.2025	Period
	RM'000	31.03.2024	RM'000	31.03.2024
		RM'000		RM'000
Estimated tax payable	-	-	-	-
Deferred tax	-	36	-	36
	<u>-</u>	<u>36</u>	<u>-</u>	<u>36</u>

6. 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 at to date, status of utilisation of the proceeds are as follows-

Details of Utilitsation	Timeframe of utilisation	Proposed Utilisation	Actual Utilisation	Balance
		RM'000	RM'000	RM'000
Expansion of IT services business	Within 36 months	5,907	4,707	1,200
General working capital	Within 24 months	3,993	3,993	-
Defray estimated expenses for the Regularisation Plan	Within 3 months	2,000	2,000	-
Total		11,900	10,700	1,200

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2025 (CONTD.)**7. Group Borrowings and Debt Securities**

There were no group borrowings and debt securities as at 31 March 2025.

8. 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. The liquidator will proceed with submitting the Proof of Debt form along with the necessary supporting documents to the Official Assignee ("OA") for record-keeping and further actions regarding the outstanding amount owed to the Company. 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 31 March 2025.

9. 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 31 MARCH 2025 (CONTD.)
10. (Loss)/ Earnings Per Share ("EPS")

The basic and diluted (loss)/earnings 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	
	31/3/2025	31/3/2024
	RM'000	RM'000
(Loss)/Profit attributable to equity holders of the Parent Company	(771)	654
<u>Basic EPS:</u>		
Weighted average number of ordinary shares, excluding treasury shares ('000)	496,611	481,879
Basic EPS (sen)	(0.15)	0.14
<u>Diluted EPS:</u>		
Weighted average number of ordinary shares for basic EPS excluding treasury shares ('000)	496,611	481,879
Effect of dilution:		
- Exercise of Warrants ('000 units)	3,776	92,794
Weighted average number of ordinary shares for diluted EPS, excluding treasury shares ('000)	500,387	574,673
Diluted EPS (sen)	(0.15)	0.11

**PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES
BERHAD FOR THE QUARTER ENDED 31 MARCH 2025 (CONTD.)****11. (Loss)/Profit Before Tax**

	31/03/25 RM'000	31/03/24 RM'000
Depreciation of property, plant and equipment	292	179
Amortisation of right of use assets	68	28
Amortisation of intangible assets	47	62
