

FSBM HOLDINGS BERHAD [198401003091 (115609-U)]

- VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM THE SHARES ISSUANCE AND RIGHTS ISSUE WITH WARRANTS (“VARIATION”)

1. INTRODUCTION

Reference is made to the approval obtained by FSBM Holdings Berhad (“FSBM” or “the Company”) from its shareholders at the Extraordinary General Meeting held on 22 May 2023 for the following proposals, which form part of the Company’s Regularisation Plan as outlined in the Company’s Circular to Shareholders dated 28 April 2023:

- 1) Shares issuance of 60.0 million Subscription Shares to the Subscribers (“Shares Issuance”).
- 2) Renounceable rights issue of up to 236,659,300 Rights Shares on the basis of 1 Rights Share for every 1 existing FSBM Share held, together with up to 118,329,650 free detachable Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed for, on the Entitlement Date (“Rights Issue with Warrants”).

(collectively referred to as “the Proposals”).

The Shares Issuance and Rights Issue with Warrants were completed on 26 September 2023, raising total gross proceeds of approximately RM11,900,000 (“proceeds”). The proceeds comprise RM4,800,000 raised from the Shares Issuance and RM7,099,779 raised from the Rights Issue with Warrants.

Pursuant to Paragraph 9.19(32) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors (“the Board”) of FSBM wishes to announce that the Board proposed to varied the utilisation of the proceeds of RM1.2 million, which is part of the proceeds raised from the Rights Issue with Warrants and initially allocated for setting up of Security Operations Center (“SOC”), by reallocating this proceeds to general working capital purposes (“Variation”). The details of the Variation, the status of utilisation of the proceeds, and the rationale for the Variation are set out under items 2 and 3 of this announcement.

2. DETAILS OF THE VARIATION

The details of the Variation and the status of utilisation of the proceeds as of to-date are set out below:

Details of utilisation		Proceeds raised and proposed utilisation from the completion of the Proposals	Actual proceeds utilised to-date	Balance proceeds unutilised before reallocation	Reallocation of Proceeds	Balance proceeds unutilised after reallocation	Variation	Intended time frame for utilisation of proceeds from the date of receipt of proceeds	Remarks
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
(i)	Expansion of IT services business								
	a. Setting up SOC.	1,200	0	1,200	(1,200)	0	1,200	Within 36 months	Reallocation of proceeds to general working capital.
	b. Continuing development of MES software and expansion of managed security services.	1,700	(1,700)	0	0	0	0	Within 36 months	
	b. Other expansion Opportunities.	3,007	(3,007)	0	0	0	0	Within 36 months	-
	Total	5,907	(4,707)	1,200	(1,200)	0	1,200		
(ii)	General working capital								
	a. Payment to trade creditors and/or advances from Directors and/or major shareholders, if any.	2,000	(2,000)	0	0	0	0	Within 12 months	

Details of utilisation			Proceeds raised and proposed utilisation from the completion of the Proposals	Actual proceeds utilised to-date	Balance proceeds unutilised before reallocation	Reallocation of Proceeds	Balance proceeds unutilised after reallocation	Variation	Intended time frame for utilisation of proceeds from the date of receipt of proceeds	Remarks
			RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
	b.	Staff-related costs such as staff salaries, bonuses, statutory contribution and welfare expenses.	1,593	(1,593)	0	850	850	850	Within 24 months	Reallocation of proceeds from setting up SOC.
	c.	General administrative and operating expenses such as rental, utilities, telephone charges and sundry expenses.	400	(400)	0	350	0	350	Within 24 months	Reallocation of proceeds from setting up SOC.
		Total	3,993	(3,993)	0	1,200	850	1,200		
(iii)		Defray estimated expenses for the Proposed Regularisation Plan (which include professional fees, fees to relevant authorities and printing, despatch, meeting expenses and miscellaneous).	2,000	(2,000)	0	0	0	0	Within 3 months	-
		Total	2,000	(2,000)	0	0	0	0		
		TOTAL PROCEEDS	11,900	(10,700)	1,200	1,200	850	-		

3. RATIONALE

The Board has carefully reviewed the utilisation of the remaining proceeds and considers it prudent to reallocate the unutilised balance for general working capital purposes. This reallocation will better support the Group's operational needs, particularly staff costs and administrative expenses, while also enhancing the Group's financial flexibility. The Board believes that deploying the proceeds in this manner will ensure continuity of operations and allow the Group to manage its resources more efficiently as it continues to pursue its business expansion plans.

4. FINANCIAL EFFECTS

The Board having considered all aspects of the Variation, opined that these will not result in any change to the issued and paid-up share capital of FSBM as well as the shareholdings of the shareholders, substantial shareholders and Directors of FSBM, nor will they have any material financial effect on the earnings of the Group for the financial year ending 31 December 2025 and the net assets of the Group.

5. APPROVAL REQUIRED

The Variation is not subject to the approval of the shareholders of the Company or any regulatory authorities.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

In so far as the Directors are aware, none of the Directors and/or major shareholders, chief executive of FSBM and/or persons connected with them have any interest, whether direct or indirect, in the Variation.

7. DIRECTORS' STATEMENT

The Directors are of the opinion that the Variation is in the best interests of the Company.

This announcement is dated 30 September 2025.