



**FLEXIDYNAMIC HOLDINGS BERHAD**

Registration No: 201901010656 (1319984-V)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025**

# FLEXIDYNAMIC HOLDINGS BERHAD

Registration No: 201901010656 (1319984-V)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025<sup>(1)</sup>

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	Unaudited 31/12/2025 RM'000	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2025 RM'000	Audited 31/12/2024 RM'000
Revenue	21,641	20,954	68,358	52,685
Cost of sales	(21,469)	(18,627)	(64,917)	(42,637)
<b>Gross profit</b>	<b>172</b>	<b>2,327</b>	<b>3,441</b>	<b>10,048</b>
Other income	459	216	1,085	1,007
Allowance of expected credit losses on receivables	(2,724)	(368)	(3,144)	(368)
Selling and distribution expenses	(201)	(183)	(775)	(611)
Administrative expenses	(2,461)	(2,065)	(8,134)	(6,583)
Other expenses	(239)	(158)	(1,577)	(1,787)
<b>(Loss)/Profit from operations</b>	<b>(4,994)</b>	<b>(231)</b>	<b>(9,104)</b>	<b>1,706</b>
Finance costs	(227)	(100)	(749)	(358)
Finance income	8	9	29	38
<b>(Loss)/Profit before tax</b>	<b>(5,213)</b>	<b>(322)</b>	<b>(9,824)</b>	<b>1,386</b>
Tax expenses	(2,174)	(244)	(1,848)	(73)
<b>(Loss)/Profit after tax</b>	<b>(7,387)</b>	<b>(566)</b>	<b>(11,672)</b>	<b>1,313</b>
<b>Other comprehensive (loss)/income: -</b>				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Foreign currency translations differences	6	(12)	10	7
<b>Total comprehensive (loss)/income for the financial period/year</b>	<b>(7,381)</b>	<b>(578)</b>	<b>(11,662)</b>	<b>1,320</b>
<b>(Loss)/Profit attributable to: -</b>				
Owners of the Company	(7,429)	(526)	(11,547)	1,527
Non-controlling interest	42	(40)	(125)	(214)
	<b>(7,387)</b>	<b>(566)</b>	<b>(11,672)</b>	<b>1,313</b>
<b>Total comprehensive (loss)/income attributable to: -</b>				
Owners of the Company	(7,426)	(532)	(11,542)	1,530
Non-controlling interest	45	(46)	(120)	(210)
<b>Total comprehensive (loss)/income for the financial period/year</b>	<b>(7,381)</b>	<b>(578)</b>	<b>(11,662)</b>	<b>1,320</b>
<b>(Loss)/Earnings per share attributable to owners of the Company (sen): -</b>				
Basic	(2.48)	(0.18)	(3.85)	0.51
Diluted	(2.48)	(0.18)	(3.85)	0.51

### NOTE:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of Flexidynamic Holdings Berhad (“**Flexidynamic**” or “**the Company**”) and its subsidiaries (“**the Group**”) for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**FLEXIDYNAMIC HOLDINGS BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025<sup>(1)</sup>**

	<b>Unaudited As At 31/12/2025 RM'000</b>	<b>Audited As At 31/12/2024 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,665	8,633
Investment properties	12,766	12,915
Goodwill	6,939	-
Deferred tax assets	1,665	3,671
Other receivables	-	2
<b>Total non-current assets</b>	<b>33,035</b>	<b>25,221</b>
<b>Current assets</b>		
Inventories	7,862	7,733
Trade receivables	19,896	27,250
Other receivables	8,792	12,336
Contract assets	5,135	5,737
Contract costs	-	337
Tax recoverable	3,213	3,012
Fixed deposits with a licensed financial institution	944	451
Cash and bank balances and short-term investments	7,029	9,778
<b>Total current assets</b>	<b>52,871</b>	<b>66,634</b>
<b>TOTAL ASSETS</b>	<b>85,906</b>	<b>91,855</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	37,739	37,739
Merger deficit	(20,431)	(20,431)
Capital reserve	631	631
Share based payment reserve	1,583	1,525
Foreign exchange reserve	11	6
Retained earnings	10,795	22,342
<b>Equity attributable to owners of the Company</b>	<b>30,328</b>	<b>41,812</b>
<b>Non-controlling interest</b>	<b>93</b>	<b>213</b>
<b>TOTAL EQUITY</b>	<b>30,421</b>	<b>42,025</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	15,205	12,372
Lease liabilities	526	415
Employees' benefits	78	79
<b>Total non-current liabilities</b>	<b>15,809</b>	<b>12,866</b>
<b>Current Liabilities</b>		
Trade payables	19,004	16,151
Other payables and accruals	10,313	1,698
Contract liabilities	5,259	16,164
Bank borrowings	4,433	2,663
Lease liabilities	667	275
Tax payable	-	13
<b>Total current liabilities</b>	<b>39,676</b>	<b>36,964</b>
<b>TOTAL LIABILITIES</b>	<b>55,485</b>	<b>49,830</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>85,906</b>	<b>91,855</b>
<b>Net assets per ordinary share (RM) <sup>(2)</sup></b>	<b>0.10</b>	<b>0.14</b>

NOTES:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per ordinary share is calculated based on the number of ordinary shares in issue of 299,679,925 shares. (2024: 299,679,925).

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025<sup>(1)</sup>**

	← Non-Distributable				→ Distributable				
	Share Capital RM'000	Merger Deficit RM'000	Capital Reserve RM'000	Share Based Payment Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
<b>Balance at 1 January 2025</b>	37,739	(20,431)	631	1,525	6	22,342	41,812	213	42,025
<b>Transactions with owners:</b>									
Share based payment relating to ESOS	-	-	-	58	-	-	58	-	58
Total transactions with owners	-	-	-	58	-	-	58	-	58
Loss after tax	-	-	-	-	-	(11,547)	(11,547)	(125)	(11,672)
Foreign currency translations differences	-	-	-	-	5	-	5	5	10
Total comprehensive income/(loss) for the financial year	-	-	-	-	5	(11,547)	(11,542)	(120)	(11,662)
<b>Balance at 31 December 2025 (Unaudited)</b>	<b>37,739</b>	<b>(20,431)</b>	<b>631</b>	<b>1,583</b>	<b>11</b>	<b>10,795</b>	<b>30,328</b>	<b>93</b>	<b>30,421</b>
<b>Balance at 1 January 2024</b>	35,623	(20,431)	631	1,398	3	20,815	38,039	(176)	37,863
<b>Transaction with owners:</b>									
Issue of ordinary shares	2,175	-	-	-	-	-	2,175	-	2,175
Share issuance expenses	(59)	-	-	-	-	-	(59)	-	(59)
Share based payment relating to ESOS	-	-	-	127	-	-	127	-	127
Subscription share in subsidiary	-	-	-	-	-	-	-	599	599
Total transaction with owners	2,116	-	-	127	-	-	2,243	599	2,842
Profit/(loss) after tax	-	-	-	-	-	1,527	1,527	(214)	1,313
Foreign currency translations differences	-	-	-	-	3	-	3	4	7
Total comprehensive income/(loss) for the financial year	-	-	-	-	3	1,527	1,530	(210)	1,320
<b>Balance at 31 December 2024 (Audited)</b>	<b>37,739</b>	<b>(20,431)</b>	<b>631</b>	<b>1,525</b>	<b>6</b>	<b>22,342</b>	<b>41,812</b>	<b>213</b>	<b>42,025</b>

**NOTE:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025<sup>(1)</sup>**

	<b>12 months ended Unaudited 31/12/2025 RM'000</b>	<b>12 months ended Audited 31/12/2024 RM'000</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(9,824)	1,386
Adjustments for: -		
Allowance for expected credit losses on receivables	3,144	368
Depreciation of property, plant and equipment	1,622	1,019
Depreciation of investment properties	148	148
Finance costs	749	358
Finance income	(29)	(38)
Gain on disposal of property, plant and equipment	(17)	(138)
Unrealised loss on foreign exchange	(203)	194
Dividend income	(101)	(107)
Employees' benefits	-	70
Property, plant and equipment written off	4	28
Bad debts written off	-	21
Inventory written off	3,573	-
Share based payment expenses	58	127
Loss on acquisition of subsidiary's assets	-	418
Operating (loss)/profit before working capital changes	(876)	3,854
Decrease/(Increase) in inventories	190	(3,186)
Decrease/(Increase) in receivables	7,403	(11,433)
Increase in payables	6,918	8,804
Decrease in contract assets/liabilities	(9,966)	(3,983)
Cash generated from/(used in) operations	3,669	(5,944)
Tax paid	(183)	(354)
Tax refunded	180	13
Net cash from/(used in) operating activities	3,666	(6,285)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(176)	(96)
Interests received	24	38
Dividend received	101	107
Proceed from disposal of property, plant and equipment	93	214
Acquisition of a subsidiary's assets	-	(846)
Acquisition of a subsidiary, net of cash acquired	(10,364)	-
Net cash used in investing activities	(10,322)	(583)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025<sup>(1)</sup> (Cont'd)**

	<b>12 months ended Unaudited 31/12/2025 RM'000</b>	<b>12 months ended Audited 31/12/2024 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interests paid	(749)	(358)
Proceeds from issuance of ordinary shares	-	2,175
Share issuance expenses	-	(59)
Net drawdown of short-term borrowings	2,037	1,356
Drawdown of bank borrowings	3,830	8,450
Repayments of bank borrowings	(1,264)	(1,969)
Repayments of lease liabilities	(613)	(464)
Net cash from financing activities	<u>3,241</u>	<u>9,131</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,415)</b>	<b>2,263</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>10,229</b>	<b>8,148</b>
<b>EFFECT OF EXCHANGE RATES CHANGES</b>	<b>215</b>	<b>(182)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b><u>7,029</u></b>	<b><u>10,229</u></b>
<b>Represented by: -</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	7,029	9,778
Fixed deposits with a licensed financial institution	944	451
	<u>7,973</u>	<u>10,229</u>
Less: Fixed deposits pledged with licensed financial institution	(944)	-
	<u>7,029</u>	<u>10,229</u>

## NOTE:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025**

**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A1. BASIS OF PREPARATION**

The interim financial report of the Group is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board, Paragraph 9.22 and Appendix 9B of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024. 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 2024.

**A2. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policy information and presentation adopted in the interim financial report are consistent with those adopted as disclosed in the Group’s audited financial statements for the financial year ended 31 December 2024.

On 1 January 2025, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2025.

- Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The adoption of the above standards did not have any material impact on the Group’s financial statements.

The new and amended standards and interpretations issued but not yet effective for 31 December 2025 reporting period are as below and have not been early adopted by the Group.

<b>Standards</b>	<b>Effective for financial period beginning on or after</b>
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 7: Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 7: Financial Instruments: Disclosures – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 7: Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 9: Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9: Financial Instruments – Contracts Referencing Nature-dependent Electricity	1 January 2026

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025****A2. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)**

The new and amended standards and interpretations issued but not yet effective for 31 December 2025 reporting period are as below and have not been early adopted by the Group.

<b>Standards</b>	<b>Effective for financial period beginning on or after</b>
Amendments to MFRS 9: Financial Instruments – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 10: Consolidated Financial Statements – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 107: Statement of Cash Flows – Annual Improvements – Volume 11	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 and Amendments to MFRS 19: Subsidiaries without Public Accountability - Disclosures	1 January 2027
Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendment to MFRS 10 and MFRS 128: Consolidated Financial Statements & Investments In Associates and Joint Ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred to a date to be determined and announced

\* Not applicable to the Group's operation

The Directors do not expect that the adoption of the standards and amendment listed above will have a material impact on the financial statements of the Group in the future periods.

**A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report for the preceding financial year ended 31 December 2024 was issued without any qualification.

**A4. SEASONAL OR CYCLICAL FACTORS**

The nature of the Group's business is not subject to any significant seasonal or cyclical factors during the current financial quarter and year-to-date under review.

**A5. MATERIAL AND UNUSUAL ITEMS**

Save as disclosed in Section B1, B2 & B11, there were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter and year-to-date under review.

**A6. MATERIAL SUBSEQUENT EVENT**

There were no material subsequent events after the end of the current financial quarter under review.

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### **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025**

#### **A7. DEBT AND EQUITY SECURITIES**

There were no other issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the current financial quarter under review.

#### **A8. CHANGES IN ESTIMATES OF AMOUNTS REPORTED PREVIOUSLY**

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial quarter.

#### **A9. DIVIDEND PAID**

No dividends were paid during the current financial quarter under review.

#### **A10. SEGMENTAL INFORMATION**

The Group is principally engaged in the business of design, engineering, installation and commissioning of glove chlorination systems, design and installation of storage tanks, process tanks for glove manufacturing industry, supply and installation of mechanical and electrical (“M&E”) engineering works and manufacturing glove formers.

The Group is currently involved in three operating segments, namely the glove manufacturing industry, M&E engineering industry and glove formers manufacturing. During the current financial year, these segments contributed approximately 72%, 27%, and 1% of the Group’s total revenue, respectively.

The following table provides an analysis of the Group’s revenue by geographical segment: -

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>31/12/2025</b>	<b>31/12/2024</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Local	19,685	20,414	63,433	49,430
Overseas <sup>(1)</sup>	1,956	540	4,925	3,255
	<u>21,641</u>	<u>20,954</u>	<u>68,358</u>	<u>52,685</u>

Note:

(1) Includes Vietnam, Thailand, Indonesia and Sri Lanka.

#### **A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There has been no valuation made on any property, plant and equipment during the current financial quarter under review.

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025****A12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no other changes in the composition of the Group for the current financial quarter under review.

**A13. CAPITAL COMMITMENTS**

The capital commitments of the Group as at 31 December 2025 is as follows: -

	<b>Unaudited As At 31/12/2025 RM'000</b>
Authorised and contracted for: -	
Property, plant and equipment	<u>34,067</u>

**A14. CONTINGENT LIABILITIES**

As at 31 December 2025, the Company has outstanding contingent liabilities amounting to RM19.64 million being corporate guarantees given to financial institutions for banking facilities granted to certain subsidiaries.

**A15. SIGNIFICANT RELATED PARTY TRANSACTIONS**

The significant related party transactions which were entered into under agreed terms and conditions are summarised as follows: -

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 12 months ended</b>	
	<b>Unaudited 31/12/2025 RM'000</b>	<b>Unaudited 31/12/2024 RM'000</b>	<b>Unaudited 31/12/2025 RM'000</b>	<b>Audited 31/12/2024 RM'000</b>
Rental expenses	19	16	72	66
Lease payment	6	7	25	25
Finance charges	-	-	1	4
Purchase of timber	12	127	217	206

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025**

**PART B – EXPLANATORY NOTES PURSUANT TO CHARTER 9, APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. PERFORMANCE REVIEW**

	Individual Quarter			Cumulative Quarter		
	3 months ended			12 months ended		
	Unaudited 31/12/2025 RM'000	Unaudited 31/12/2024 RM'000	Changes %	Unaudited 31/12/2025 RM'000	Audited 31/12/2024 RM'000	Changes %
Revenue	21,641	20,954	3.28	68,358	52,685	29.75
Operating (Loss)/Profit	(2,031)	295	(788.47)	(4,383)	3,861	(213.52)
(Loss)/Profit before interest and tax	(4,994)	(231)	2,061.90	(9,104)	1,706	(633.65)
(Loss)/Profit before tax	(5,213)	(322)	1,518.94	(9,824)	1,386	(808.80)
(Loss)/Profit after tax	(7,387)	(566)	1,205.12	(11,672)	1,313	(988.96)
(Loss)/Profit attributable to: - Owners of the Company	(7,429)	(526)	1,312.36	(11,547)	1,527	(856.19)

**(a) Results for current financial quarter**

The Group recorded revenue of RM21.64 million for current financial quarter ended 31 December 2025, representing an increase of RM0.69 million or 3.28% compared to RM20.95 million in the previous year's corresponding financial quarter. The increase in revenue was mainly attributable to higher contribution from M&E engineering works during the current financial quarter.

The Group's revenue was mainly derived from the design, engineering, installation and commissioning of glove chlorination systems, supply and installation of M&E engineering works as well as glove formers manufacturing. The local and overseas markets contributed 90.96% and 9.04%, respectively, to the Group's revenue in the current financial quarter.

Despite increase in revenue, the Group recorded an operating loss of RM2.03 million for current financial quarter ended 31 December 2025, a decline of approximately RM2.33 million or 788.47% compared to an operating profit of RM0.30 million in the corresponding quarter of the previous financial year. The operating loss was primarily attributable to inventory write-offs and additional allowance for expected credit losses on trade receivables recognised during the current financial quarter.

**(b) Results for financial year-to-date**

The Group recorded revenue of RM68.36 million for current financial year ended 31 December 2025, representing an increase of RM15.67 million or 29.75% as compared to RM52.69 million recorded in the previous year. The increase in revenue was primarily attributable to higher contributions from M&E engineering works and sub-contracting activities relating to existing production systems during the financial year.

Despite the strong revenue growth, the Group reported an operating loss of RM4.38 million for current financial year ended 31 December 2025, representing a decrease of approximately RM8.24 million or 213.52% as compared to operating profit of RM3.86 million in the previous year's corresponding year. The operating losses were mainly driven by inventories written off, provision for allowance of expected credit losses on trade receivables and project-related costs recognised during the financial year.

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025****B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS**

	Individual Quarter		Change	
	3 months ended			
	Unaudited 31/12/2025 RM'000	Unaudited 30/09/2025 RM'000	RM'000	%
Revenue	21,641	14,882	6,759	45.42
Loss before tax	(5,213)	(2,627)	(2,586)	98.44
Loss after tax	(7,387)	(2,338)	(5,049)	215.95
Loss attributable to: -				
Owners of the Company	(7,429)	(2,330)	(5,099)	218.84

The Group's revenue for current financial quarter ended 31 December 2025 increased by approximately RM6.76 million or 45.42% to RM21.64 million, compared to RM14.88 million recorded in the preceding financial quarter ended 30 September 2025. The increase in revenue was mainly attributable to higher project progress billings and increased contribution from ongoing engineering works during the current financial quarter.

The Group recorded a loss before tax of RM5.21 million for current financial quarter ended 31 December 2025, a decrease of approximately RM2.58 million or 98.44% compared to RM2.63 million in the preceding financial quarter ended 30 September 2025. Loss before tax was primarily due to inventories written off and provision for allowance of expected credit losses on trade receivables incurred during the current financial quarter.

**B3. PROSPECT AND OUTLOOK**

The Group expects its performance to be supported by the gradual recovery in demand from the glove manufacturing industry, underpinned by ongoing industry rationalisation and replacement demand for system upgrades. The contribution from the Group's core engineering and project-based activities is expected to remain stable, subject to project execution timelines and prevailing cost conditions.

Following the completion of the acquisition of Formtech Engineering, the Group anticipates that the expanded product offering in glove formers will strengthen its presence along the glove manufacturing value chain and provide additional revenue opportunities. In addition, the Group is making progress in diversifying into the business of gamma radiation sterilisation services.

The Group has undertaken initiatives to broaden its business activities and strengthen its position along the value chain. However, the Board expects that the contribution from these initiatives will be progressive, and their financial impact will depend on market acceptance, operational readiness and prevailing economic conditions.

In view of the foregoing, the Group will continue to adopt a prudent and disciplined approach in managing its operations, costs and financial resources. The Board will remain vigilant with regards to developments in the operating environment and take appropriate measures to safeguard the Group's financial position while pursuing sustainable growth and long-term shareholder value.

**B4. VARIANCE FROM PROFIT FORECAST**

The Group did not publish any profit forecast for the current financial quarter under review in any public documents.

## FLEXIDYNAMIC HOLDINGS BERHAD

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### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025

#### B5. TAXATION

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2025 RM'000	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2025 RM'000	Audited 31/12/2024 RM'000
Income tax	(3)	67	(158)	250
Deferred tax	2,177	177	2,006	(177)
	<u>2,174</u>	<u>244</u>	<u>1,848</u>	<u>73</u>
Effective tax rate	(41.70%)( <sup>1</sup> )	(75.78%)	(18.81%)( <sup>2</sup> )	5.27%

Notes:

- (1) The Group's effective tax rate is higher than statutory tax rate i.e. 24% for the current financial quarter ended 31 December 2025, mainly due to the reversal of deferred tax assets arising from temporary differences relating to contract liabilities recognised during the current financial quarter.
- (2) The Group's effective tax rate is lower than statutory tax rate i.e. 24% for the current financial year ended 31 December 2025, mainly due to recognition of deferred tax assets arising from provision of allowance for expected credit losses on trade receivables during current financial year.
- (3) Tax expense is recognised based on management's best estimate.

#### B6. STATUS OF CORPORATE PROPOSAL

##### Multiple Proposals

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report.

On 14 July 2025, Malacca Securities Sdn Bhd ("Malacca Securities") had on behalf of the Company announced that the Company proposed to undertake the following:

- (i) proposed diversification of the existing principal activities of the Company and its subsidiaries ("Group") to include provision of sterilisation services using gamma radiation ("Proposed Diversification");
- (ii) proposed subscription of 16,080,184 new ordinary shares in Gammatech Sdn Bhd, a 51%-owned subsidiary of the Company ("Gammatech") ("Subscription Shares") for a total cash consideration of RM16,080,184 ("Subscription Price") ("Proposed Subscription");
- (iii) proposed acquisition of a parcel of industrial freehold land held under GM 2418, Lot 2202, Teluk Panglima Garang, Kuala Langat, Selangor measuring approximately 1.6314 hectares ("Land") by Gammatech, a 51%-owned subsidiary of the Company from H&A Ventures Sdn Bhd ("H&A") ("Vendor") for a total consideration of RM15,450,000 ("Purchase Consideration"), to be satisfied via issuance of 15,450,000 new ordinary shares in Gammatech ("Consideration Shares") ("Proposed Acquisition");
- (iv) proposed private placement of up to 89,903,000 new ordinary shares in the Company ("Shares" or "Flexidynamic Shares"), representing up to 30% of the existing number of issued Shares in Flexidynamic ("Proposed Private Placement"); and
- (v) proposed bonus issue of warrants on the basis of 1 warrant for every 4 Flexidynamic Shares held by the entitled shareholders on an entitlement date to be determined and announced later ("Entitled Shareholders") ("Entitlement Date") ("Proposed Bonus Issue of Warrants").

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025****B6. STATUS OF CORPORATE PROPOSAL (CONT'D)**Multiple Proposals (cont'd)

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report. (cont'd)

On 21 August 2025, Malacca Securities had on behalf of the Company announced that the listing application in respect of the Proposed Private Placement and Proposed Bonus Issue of Warrants had been submitted to Bursa Securities.

On 13 February 2026, Malacca Securities had on behalf of the Company announced that Bursa Securities had vide its letter dated 12 February 2026 approved for the listing application in respect of the Proposed Private Placement and Proposed Bonus Issue of Warrants.

**B7. BORROWINGS**

	<b>Unaudited</b>		<b>Audited</b>	
	<b>As At 31/12/2025</b>		<b>As At 31/12/2024</b>	
	<b>Foreign</b>	<b>RM</b>	<b>Foreign</b>	<b>RM</b>
	<b>denomination</b>	<b>'000</b>	<b>denomination</b>	<b>'000</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
<b>Current:</b>				
<b>Secured</b>				
Bank borrowings		4,433		2,663
Lease liabilities		655		269
Lease liabilities	THB 97	12	THB 44	6
		<u>5,100</u>		<u>2,938</u>
<b>Non-current:</b>				
<b>Secured</b>				
Bank borrowings		15,205		12,372
Lease liabilities		491		415
Lease liabilities	THB 271	35	THB -	-
		<u>15,731</u>		<u>12,787</u>
<b>Total borrowings</b>		<u>20,831</u>		<u>15,725</u>
Exchange Rate: RM per THB100		12.8472		13.0662

**B8. MATERIAL LITIGATION**

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

**B9. PROPOSED DIVIDEND**

No dividend has been declared and proposed during the current financial quarter under review and for the financial year-to-date.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025**

**B10. (LOSS)/EARNINGS PER SHARE**

**(a) Basic (loss)/earnings per share**

The basic (loss)/earnings per share for the current financial quarter and financial period-to-date are as follows: -

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2025	Unaudited 31/12/2024	Unaudited 31/12/2025	Audited 31/12/2024
	(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(7,429)	(526)	(11,547)
Weighted average number of ordinary shares in issue ('000)	299,680	299,680	299,680	299,680
Basic (loss)/earnings per share (sen)	<u>(2.48)</u>	<u>(0.18)</u>	<u>(3.85)</u>	<u>0.51</u>

**(b) Diluted (loss)/earnings per share**

The diluted (loss)/earnings per share for the current financial quarter and financial period-to-date are as follows: -

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2025	Unaudited 31/12/2024	Unaudited 31/12/2025	Audited 31/12/2024
	(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(7,429)	(526)	(11,547)
Weighted average number of ordinary shares in issue ('000)	299,680	299,680	299,680	299,680
Effect of dilutive potential ordinary share - ESOS ('000)	<u>_(2)</u>	<u>_(2)</u>	<u>_(2)</u>	<u>_(2)</u>
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>299,680</u>	<u>299,680</u>	<u>299,680</u>	<u>299,680</u>
Diluted (loss)/earnings per share (sen) <sup>(1)</sup>	<u>(2.48)</u>	<u>(0.18)</u>	<u>(3.85)</u>	<u>0.51</u>

Notes:

- (1) The diluted (loss)/earnings per share of the Company has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible Directors and employees on the assumption that the full exercise of the share options on the share options grant date.
- (2) Diluted (loss)/earnings per share of the Company for the individual and cumulative quarter 31 December 2025 was equivalent to the basic (loss)/earnings per share as the share option had an anti-dilutive effect of the basic (loss)/earnings per share and the Company has no other dilutive potential ordinary shares in issue at the end of the reporting period.

**FLEXIDYNAMIC HOLDINGS BERHAD**

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2025****B11. NOTE TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

The following items have been charged/(credited) in arriving (loss)/profit: -

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	Unaudited 31/12/2025 RM'000	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2025 RM'000	Audited 31/12/2024 RM'000
Allowance for expected credit losses on receivables	2,724	368	3,144	368
Bad debts written off	-	21	-	21
Depreciation of property, plant and equipment	871	219	1,622	1,019
Depreciation of investment properties	37	37	148	148
Interest expenses	227	100	749	358
Property, plant and equipment written off	1	11	4	28
Inventory written off	3,573	-	3,573	-
Realised loss/(gain) on foreign exchange	107	7	224	(7)
Gain on disposal of property, plant and equipment	(17)	-	(17)	(138)
Unrealised (gain)/loss on foreign exchange	(535)	(561)	(203)	194
Interest income	(8)	(9)	(29)	(38)
Share based payment expenses	14	27	58	127
Loss on acquisition of subsidiary's asset	-	418	-	418