

EXCELFORCE



[Registration No.: 200201003114 (Company No.: 570777-X)]
(Incorporated in Malaysia)

EXCEL FORCE MSC BERHAD

**UNAUDITED FINANCIAL STATEMENTS FOR
THE FINANCIAL PERIOD ENDED
31 December 2025**

Interim Financial Report on Consolidated Results for the Financial Period Ended 31 December 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Financial		Year to date	
	Quarter Ended		Ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	6,845	6,827	13,801	14,191
Cost of sales	(2,821)	(2,310)	(5,708)	(4,887)
Gross profit	4,024	4,517	8,093	9,304
Other income	56	89	87	125
Other operating expenses	(617)	(502)	(1,149)	(1,024)
Marketing expenses	(8)	(11)	(23)	(24)
Administrative expenses	(1,927)	(1,863)	(3,717)	(3,444)
Finance cost	(81)	(94)	(165)	(191)
Share of result of associates	20	22	13	(4)
Profit before tax	1,467	2,158	3,139	4,742
Tax expense	(433)	(500)	(901)	(1,183)
Profit for the year	1,034	1,658	2,238	3,559
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	1,034	1,658	2,238	3,559
Profit for the year attributable to:				
Owners of the parent	1,034	1,658	2,238	3,559
Non-controlling interest	-	-	-	-
Total comprehensive income for the year :				
attributable to owners of the parent	1,034	1,658	2,238	3,559
Non-controlling interest	-	-	-	-
Earnings per share				
- Basic (sen)	0.17	0.27	0.37	0.58
- Diluted (sen)	0.17	0.27	0.37	0.58

Notes:

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2025

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Note	(Unaudited) 31.12.2025 RM'000	(Audited) 30.06.2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,057	3,015
Rights-of-use assets		20,196	20,489
Product Development costs		19,766	18,937
Goodwill		4,018	4,018
Investment in associate		359	347
Other investment		21,831	21,831
Total non-current assets		69,227	68,637
Current assets			
Inventories		7	7
Digital assets		25,973	25,973
Trade and other receivables	B7	20,874	24,139
Tax recoverable		1,173	1,260
Deposits, cash and bank balances and short-term funds		25,151	22,170
Total current assets		73,178	73,549
TOTAL ASSETS		142,405	142,186
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		98,094	98,094
Reserves		26,612	27,423
Equity attributable to owners of the parent		124,706	125,517
Non-controlling interests		-	-
TOTAL EQUITY		124,706	125,517

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2025

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) (The figures have not been audited)

	(Unaudited) 31.12.2025 RM'000	(Audited) 30.06.2025 RM'000
EQUITY AND LIABILITIES (continued)		
Non-current liabilities		
Term loan	5,476	5,745
Lease liabilities	-	254
Deferred taxation	3,653	3,653
Total non-current liabilities	9,129	9,652
Current liabilities		
Trade and other payables	3,580	2,716
Contract liabilities	3,734	2,902
Term loan	607	631
Lease Liabilities	642	768
Tax payable	7	-
Total current liabilities	8,570	7,017
TOTAL LIABILITIES	17,699	16,669
TOTAL EQUITY AND LIABILITIES	142,405	142,186
Net assets per share attributable to equity holders of the Company (RM)	0.20	0.21

Notes:

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2025

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	Attributable to owners of the parent						Non-Controlling Interests	Total Equity
	Non-distributable reserves				Distributable	Total		
	Share Capital	Forex Transition Reserve	Fair Value Reserve	Other Reserve	Retained Earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 months period ended 31 December 2025								
At 1 July 2025	98,094	7	(1,850)	(81)	29,348	125,518	-	125,518
Profit for the period	-	-	-	-	2,238	2,238	-	2,238
Total comprehensive income/(loss) for the period	-	-	-	-	2,238	2,238	-	2,238
Transaction with owners:								
Shares repurchase	-	-	-	-	-	-	-	-
Dividend to owners of the parent	-	-	-	-	(3,050)	(3,050)	-	(3,050)
	-	-	-	-	(3,050)	(3,050)	-	(3,050)
At 31 December 2025	98,094	7	(1,850)	(81)	28,536	124,706	-	124,706

	Attributable to owners of the parent						Non-Controlling Interests	Total Equity
	Non-distributable reserves				Distributable	Total		
	Share Capital	Forex Transition Reserve	Fair Value Reserve	Other Reserve	Retained Earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 months period ended 31 December 2024								
At 1 July 2024	98,094	(3)	2,800	(81)	27,322	128,132	-	128,132
Profit for the period	-	-	-	-	3,559	3,559	-	3,559
Total comprehensive income/(loss) for the period	-	-	-	-	3,559	3,559	-	3,559
At 31 December 2024	98,094	(3)	2,800	(81)	30,881	131,691	-	131,691

Notes:

The unaudited Condensed Consolidated Statement of Change in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2025

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	6 Months Period Ended	
	31.12.2025	31.12.2024
	RM'000	RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	3,139	4,742
Adjustments for:		
Amortisation of development costs	1,322	1,411
Depreciation of property, plant and equipment	521	477
Depreciation of right of used assets	333	307
Unrealised gain on foreign exchange	9	12
Gain on disposal of property, plant and equipment	9	(1)
Share of result of associates	(12)	3
Interest expense	165	191
Interest income from deposits with licensed banks	(74)	(124)
Operating profit before working capital changes	5,412	7,018
Changes in working capital:		
(Increase) in inventories	-	-
Decrease/(Increase) in trade and other receivables	10,279	4,479
(Decrease) in trade and other payables	(5,328)	(1,447)
Cash generated from operations	10,363	10,050
Tax paid	(807)	(1,570)
Interest paid	(164)	(191)
Net cash from/(used in) operating activities	9,392	8,289
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Addition of product development cost	(2,151)	(2,129)
Interest received	74	124
Acquisition of property, plant and equipment	(562)	(151)
Proceed from disposal of property, plant and equipment	-	1
Net cash from/(used in) investing activities	(2,639)	(2,155)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of lease liability	(335)	(303)
Repayment of hire purchase liability	(84)	(157)
Repayment of term loan	(294)	(278)
Dividend paid	(3,050)	-
Net cash from/(used) in financing activities	(3,763)	(738)
Net decrease in cash and cash equivalents	2,990	5,396
Effects of exchange rate changes	(9)	(14)
Cash and cash equivalents at beginning of period	22,170	21,004
Cash and cash equivalents at end of period	25,151	26,386

Notes: The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

A1. Basis of Preparation

The unaudited interim financial statements, for the period ended 31 December 2025, have been prepared in accordance with 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 (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial period ended 30 June 2025. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2025.

Since the previous annual audited financial statements as at 30 June 2025 were issued, the Group has adopted the Malaysia Financial Reporting Standards (“MFRS”) framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converged Malaysia’s existing Financial Reporting Standards (“FRS”) framework with the International Financial Reporting Standards (“IFRS”) framework issued by the International Accounting Standards Board.

At the date of issuance of this unaudited interim financial statements, the MFRSs, amendments to MFRSs and IC Interpretation have been issued by MASB but not yet effective are as listed below:

		<u>Effective dates for financial periods beginning on or after</u>
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountabilities: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

The Group and the Company are in the process of assessing the impact of implementing these Amendments and Standards, since the effect would only be observable for the future financial period.

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial period ended 30 June 2025 was not qualified.

A3. Seasonality or Cyclicity of Interim Operations

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review and financial period.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the current financial quarter under review and financial year, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Material Changes in Accounting Estimates

There were no material changes in estimates of amounts reported in the prior financial year, that has a material effect on the current financial quarter under review and financial year.

A6. Issuances, Cancellation, Repurchases, Resale and Repayments of Debts and Equity Securities

There was no issuance, cancellation, repurchases, Resale and Repayment of Debts and Equity Securities on the current quarter under review.

A7. Dividends paid and distributed

The final single-tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3 million in respect of financial period ending 30 June 2025, the dividend was paid to shareholders on 7 January 2026.

A8. Segmental Reporting

Segment information is presented in respect of the Group’s business segments.

- (i) Application Solutions (“AS”)
 - Sales of software applications and product on an outright purchase basis.
- (ii) Application Services Providers (“ASP”)
 - Income from outsourcing service charge which is volume and transaction based.
- (iii) Maintenance Services
 - Provision of maintenance services.
- (iv) Others – investment holding companies.

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A8. Segmental Reporting

(a) Individual quarter

<u>3 Months Period Ended</u>	AS	ASP	Maintenance Services	Others	Total
<u>31-Dec-25</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	1,573	4,591	759	-	6,923
Inter-segment revenue	-	(78)	-	-	(78)
Revenue from external customers	<u>1,573</u>	<u>4,513</u>	<u>759</u>	-	<u>6,845</u>
Results					
Segment results	340	1,218	296	(365)	1,489
Finance costs					(81)
Share of result of associates					20
Interest income from deposits with licensed bank					39
Profit before tax					<u>1,467</u>
Income tax expenses					<u>(433)</u>
Net profit for the period / Total comprehensive income for the period					<u>1,034</u>

<u>3 Months Period Ended</u>	AS	ASP	Maintenance Services	Others	Total
<u>31-Dec-24</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	1,351	4,790	765	-	6,906
Inter-segment revenue	-	(79)	-	-	(79)
Revenue from external customers	<u>1,351</u>	<u>4,711</u>	<u>765</u>	-	<u>6,827</u>
Results					
Segment results	131	1,979	336	(280)	2,166
Finance costs					(94)
Share of result of associates					23
Interest income from deposits with licensed bank					63
Profit before tax					<u>2,158</u>
Income tax expenses					<u>(500)</u>
Net profit for the period / Total comprehensive income for the period					<u>1,658</u>

(b) Cumulative quarter

<u>6 Months Period Ended</u>	AS	ASP	Maintenance Services	Others	Total
<u>31-Dec-25</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	3,236	9,219	1,515	-	13,970
Inter-segment revenue	-	(169)	-	-	(169)
Revenue from external customers	3,236	9,050	1,515	-	13,801
Results					
Segment results	592	2,707	621	(703)	3,217
Finance costs					(165)
Share of result of associates					13
Interest income from deposits with licensed bank					74
Profit before tax					3,139
Income tax expenses					(901)
Net profit for the period / Total comprehensive income for the period					2,238

<u>6 Months Period Ended</u>	AS	ASP	Maintenance Services	Others	Total
<u>31-Dec-24</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	2,612	10,206	1,530	-	14,348
Inter-segment revenue	-	(157)	-	-	(157)
Revenue from external customers	2,612	10,049	1,530	-	14,191
Results					
Segment results	429	4,118	711	(445)	4,813
Finance costs					(191)
Share of result of associates					(3)
Interest income from deposits with licensed bank					123
Profit before tax					4,742
Income tax expenses					(1,183)
Net profit for the period / Total comprehensive income for the period					3,559

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A9. Subsequent Material Event

There was no material event subsequent to the current financial quarter ended 30 June 2025 up to the date of the announcement of this report, which is likely to substantially affect the results of the operations of the Group for the current financial quarter under review.

A10. Changes in the Composition of the Group and Financial Period End.

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

A11. Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets for the current financial quarter under review.

A12. Recurrent Related Party Transactions (“RRPT”)

The tenancy agreement with Zetrix AI Berhad for renting office space located at Level 31, Zetrix Tower, Empire City. No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya. Detail of transaction as follows:

Term of tenancy: 1 December 2023 to 30 November 2026
Monthly rental: RM32,676.70

A13. Capital Commitments

There is no capital commitments for the current financial quarter under review.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B1. Review of Group's Performance

Current Year -to date vs. Previous Year-to date

	Individual Period				Cumulative Period			
	Current Year	Preceding Year	Changes		Current Year	Preceding Year	Changes	
	Quarter	Corresponding Quarter			Quarter	Corresponding Quarter		
	31/12/25	31/12/24			31/12/25	31/12/24		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	6,845	6,827	18	0.3	13,801	14,191	(390)	(2.7)
Operating Profit	1,471	2,141	(670)	(31.3)	3,204	4,812	(1,608)	(33.4)
Profit Before Interest and Tax	1,348	2,001	(653)	(32.6)	2,900	4,427	(1,527)	(34.5)
Profit Before Tax	1,467	2,158	(691)	(32.0)	3,139	4,742	(1,603)	(33.8)
Profit After Tax	1,034	1,658	(624)	(37.6)	2,238	3,559	(1,321)	(37.1)
Profit Attributable to Ordinary Equity Holders of the Parent	1,034	1,658	(624)	(37.6)	2,238	3,559	(1,321)	(37.1)

The Group's revenue for the 6 months ended 31 December 2025 recorded at RM13.8 million, lower by RM390,000 or 3% compared to the same correspondence period last year. The lower revenue was attributed by lower revenue recorded in ASP segment as a result of lower trading volume, partially offset by higher AS revenue.

The PBT recorded at RM3.1 million, lower by RM1.6 million, while PAT recorded at RM2.2 million, lower by RM1.3 million, mainly due to lower revenue and higher operating expenses.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B2. Variation of Results against Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	31/12/25	30/09/25		
	RM'000	RM'000	RM'000	%
Revenue	6,845	6,956	(111)	-2%
Operating Profit	1,471	1,732	(261)	-15%
Profit Before Interest and Tax	1,348	1,552	(204)	-13%
Profit Before Tax	1,467	1,672	(205)	-12%
Profit After Tax	1,034	1,204	(170)	-14%
Profit Attributable to Ordinary Equity Holders of the Parent	1,034	1,204	(170)	-14%

The Group's revenue for current quarter ended 31 December 2025 was RM6.8 million, lower by RM111,000 or 2% compared to immediate preceding quarter. The decrease is mainly due to lower revenue in AS segment.

PBT recorded at RM1.5 million lower by RM205,000 mainly due to higher operating expenses incurred for the quarter. PAT recorded at RM1 million.

B3. Prospects for 2026

The imposition of US reciprocal tariffs on major trading nations globally continues to erode business confidence and stoke economic uncertainty. Recent announcements of trade agreements between the US and several of its trading partners, including Malaysia, has helped ease tariff-related uncertainties and improve sentiment.

Back home, the Malaysia's economy maintained a strong performance, GDP expanded by 6.3 per cent in fourth quarter of 2025 with a full year GDP growth of 5.2%. The improved fourth quarter results was driven by robust domestic demand, manufacturing and services. However, global trade situation continues to dampen overall business outlook, which has a spillover effect on Bursa exchange market sentiment and trading volume.

Notwithstanding the unfavourable market condition, the Group continues to enhance its existing system capability and develop new products and services to refresh and expand its service and product line-up, including building Artificial Intelligence (AI) technology into our upcoming offerings. Concurrently, the Group seeks to improve productivity and efficiency in resource utilisation, monitor our spend, review processes and procedures to reduce waste, with the aim of ensuring margin growth.

Barring any unforeseen circumstances, the Group is cautiously optimistic on the performance of our business ahead.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B4. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast nor profit guarantee for the current financial quarter under review and the financial year.

B5. Taxation

The taxation charge for the individual financial quarter and the financial period are as follows:

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Income tax	433	500	901	1,183
Deferred tax	-	-	-	-
	<u>433</u>	<u>500</u>	<u>901</u>	<u>1,183</u>

B6. Status of Corporate Proposals

There were no corporate proposals announced as at the date of this quarterly report.

B7. Trade and Other Receivables

	RM'000
Trade receivables	3,710
Other receivables	17,164
	<u>20,874</u>

Analysis of the trade receivables ageing of the Group is as follows:

	RM'000
0 – 30 days	1,973
31 – 60 days	1,424
61 – 90 days	72
91 – 120 days	39
121 – 150 days	10
More than 150 days	<u>256</u>
	3,774
Expected Credit Loss	(53)
Impairment (specific)	<u>(11)</u>
Net trade receivables	<u>3,710</u>

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B8. Group Borrowings and Debt Securities

There is no new borrowings and debt securities for the quarter under review.

B9. Off Balance Sheet Financial Instruments

The Company does not have any off-balance sheet financial instruments as at the date of this report.

B10. Material Litigation

The Group is not engaged in any material litigation and the Board does not have any knowledge of any proceedings pending or threaten against the Group as at the date of this report.

B11. Dividends

On 27 October 2025, the Board of Directors declared final single-tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3 million in respect of financial period ending 30 June 2025.

B12. Earnings per Share ("EPS")

	Individual Financial Quarter Ended		Year to date Quarter Ended	
	31.12.25	31.12.24	31.12.25	31.12.24
Basic EPS/Diluted EPS				
Net profit attributable to the equity holders of the Company (RM'000)	1,034	1,658	2,238	3,559
Weighted average number of ordinary shares in issue ('000)	609,878	609,878	609,878	609,878
Basic EPS (sen)	0.17	0.27	0.37	0.58

The calculation of the basic/diluted EPS is based on the net profit attributable to equity holders of the parent for the current financial quarter / year ended 31 December, divided by the weighted average number of ordinary shares outstanding during the financial year.

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B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B13. Profit for the period

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.25 RM'000	31.12.24 RM'000	31.12.25 RM'000	31.12.24 RM'000
Profit for the year is arrived after charging:				
Amortisation of development costs	661	705	1,322	1,410
Depreciation of property, plant and equipment	258	237	520	477
Depreciation of right of used assets	167	153	334	307
Loss on foreign exchange	83	7	84	20
and after crediting:				
Gain on disposal of PPE	-	-	-	1
Gain on foreign exchange	-3	25	-8	-4
Interest income from deposits with licensed bank	39	63	74	124