

VERSALINK HOLDINGS LIMITED
(Incorporated in Singapore on 21 April 2014)
(Registration No: 201411394N)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 AUGUST 2026

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Group		
	Note	Unaudited 6 months ended 31 Aug 2026 RM'000	Unaudited 6 months ended 31 Aug 2025 RM'000	Increase/ (Decrease) + / (-) %
Revenue	4	14,605	19,531	(25.2)
Cost of sales		(10,371)	(14,753)	(29.7)
Gross profit		4,234	4,778	(11.4)
Interest income		146	165	(11.5)
Other income and gains		701	289	142.6
Marketing and distribution expenses		(1,373)	(1,291)	6.4
Administrative expenses		(6,125)	(7,414)	(17.4)
Other losses		(22)	(549)	(96.0)
Finance costs		(239)	(116)	106.0
Loss before income tax	6	(2,678)	(4,138)	(35.3)
Income tax credit	7	-	-	-
Loss, net of income tax		(2,678)	(4,138)	(35.3)
Other comprehensive loss				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating of foreign operations, net of income tax		9	-	nm*
Total comprehensive loss for the period		(2,669)	(4,138)	(35.5)
Loss, net of tax attributable to:				
Owners of the Company		(2,669)	(4,138)	(35.5)
Non-controlling interest		-	-	-
Loss, net of tax		(2,669)	(4,138)	(35.5)
Total comprehensive loss for the period attributable to:				
Owners of the Company		(2,669)	(4,138)	(35.5)
Non-controlling interest		-	-	-
Total comprehensive loss for the period		(2,669)	(4,138)	(35.5)
Loss per share attributable to the owners of the Company (Sen Ringgit Malaysia)				
Basic (1) and diluted (2)		(1.98)	(3.07)	

*nm denotes not meaningful

Notes:

- (1) Computed based on loss attributable to the owners of the Company for the respective financial periods divided by the weighted average number of ordinary shares in issue during the respective financial periods.
- (2) As there are no dilutive potential ordinary shares that were outstanding during the respective financial periods, the diluted loss per share is the same as the basic loss per share.

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Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

B. Condensed Interim Consolidated Statements of Financial Position as at 31 August 2026

		Group		Company	
	Note	Unaudited 31 Aug 2026 RM'000	Audited 28 Feb 2026 RM'000	Unaudited 31 Aug 2026 RM'000	Audited 28 Feb 2026 RM'000
ASSETS					
<u>Non-current assets</u>					
Plant and equipment	9	2,413	2,430	-	-
Right-of-use assets	10	5,708	6,976	-	-
Investment in subsidiaries		-	-	15,514	15,514
Total non-current assets		8,121	9,406	15,514	15,514
<u>Current assets</u>					
Inventories		4,140	3,119	-	-
Trade and other receivables		3,776	3,354	10,863	10,841
Other non-financial assets		2,269	2,080	72	29
Cash and bank balances		16,111	15,838	317	26
Total current assets		26,296	24,391	11,252	10,896
Total assets		34,417	33,797	26,766	26,410
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	11	36,435	36,435	36,435	36,435
Accumulated losses		(26,762)	(24,084)	(21,291)	(18,467)
Foreign currency translation reserves		(2)	(11)	-	-
Equity attributable to owner of the parent		9,671	12,340	15,144	17,968
Non-controlling interests		-	-	-	-
Total equity		9,671	12,340	15,144	17,968
<u>Non-current liabilities</u>					
Deferred tax liabilities	7	82	82	-	-
Lease liabilities, arising from right-of-use assets, non-current		3,324	4,604	-	-
Total non-current liabilities		3,406	4,686	-	-
<u>Current liabilities</u>					
Provisions		2,880	2,880	-	-
Trade and other payables, current		10,676	7,263	6,534	4,556
Other financial liabilities		5,256	4,171	5,088	3,886
Lease liabilities, arising from right-of-use assets, current		2,528	2,457	-	-
Total current liabilities		21,340	16,771	11,622	8,442
Total liabilities		24,746	21,457	11,622	8,442
Total equity and liabilities		34,417	33,797	26,766	26,410

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C. Condensed Interim Consolidated Statements of Changes In Equity For the Six Months Ended 31 August 2026

Group	Unaudited Share Capital RM'000	Unaudited Foreign Currency Translation Reserve RM'000	Unaudited Accumulated Losses RM'000	Unaudited Non- controlling Interests RM'000	Unaudited Total Equity RM'000
Balance at 1 March 2026 (Audited)	36,435	(11)	(24,084)	-	12,340
Loss for the financial period	-	-	(2,678)	-	(2,678)
Exchange differences on translation of foreign operations	-	9	-	-	9
Total comprehensive income/(loss) for the period	-	9	(2,678)	-	(2,669)
Balance at 31 August 2026 (Unaudited)	36,435	(2)	(26,762)	-	9,671
Balance at 1 March 2025 (Audited)	36,435	(17)	(18,205)	-	18,213
Loss for the financial period	-	-	(4,138)	-	(4,138)
Total comprehensive loss for the period	-	-	(4,138)	-	(4,138)
Balance at 31 August 2025 (Unaudited)	36,435	(17)	(22,343)	-	14,075

Company	Unaudited Share Capital RM'000	Unaudited Accumulated Losses RM'000	Unaudited Total Equity RM'000
Balance at 1 March 2026 (Audited)	36,435	(18,467)	17,968
Total comprehensive loss for the period	-	(2,824)	(2,824)
Balance at 31 August 2026 (Unaudited)	36,435	(21,291)	15,144
Balance at 1 March 2025 (Audited)	36,435	(7,366)	29,069
Total comprehensive loss for the period	-	(2,382)	(2,382)
Balance at 31 August 2025 (Unaudited)	36,435	(9,748)	26,687

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D. Condensed Interim Consolidated Statement of Cash Flows For the Six Months Ended 31 August 2026

	Group	
	Unaudited 6 months ended 31 Aug 2026 RM'000	Unaudited 6 months ended 31 Aug 2025 RM'000
<u>Cash flows from operating activities</u>		
Loss before tax	(2,678)	(4,138)
Adjustments for:		
Depreciation of plant and equipment	520	511
Depreciation of right-of-use assets	1,268	531
Gain on disposal of plant and equipment	(12)	(7)
Interest income	(146)	(165)
Interest expenses	239	111
Operating cash flows before changes in working capital	(809)	(3,157)
Inventories	(1,021)	1,400
Trade receivables	(439)	1,961
Other non-financial assets	(158)	440
Trade and other payables	3,410	967
Net cash flows from operations	983	1,611
Income taxes paid	(30)	(163)
Net cash generated from operating activities	953	1,448
<u>Cash flows used in investing activities</u>		
Purchase of plant and equipment	(503)	(164)
Proceeds from disposal of plant and equipment	12	8
Placement of fixed deposits	(8,239)	(99)
Interest received	146	165
Net cash flows used in investing activities	(8,584)	(90)
<u>Cash flows (used in)/generated from financing activities</u>		
Increase in other financial liabilities	1,085	1,344
Interest paid	(239)	(111)
Payment of lease liabilities	(1,209)	(1,310)
Increase in cash restricted in use	(76)	-
Placement of fixed deposits	-	99
Net cash flows (used in)/generated from financing activities	(439)	22
Net (decrease)/increase in cash and cash equivalents	(8,070)	1,380
Cash and cash equivalents, statement of cash flows, beginning balance	14,146	15,433
Effect of foreign exchange rate changes	29	446
Cash and cash equivalents, statement of cash flows, ending balance (Note A)	6,105	17,259

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Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

Note A:

	Group	
	Unaudited	Unaudited
	6 months	6 months
	ended 31 Aug	ended 31 Aug
	2026	2025
	RM'000	RM'000
Cash and bank balances at end of the period	16,111	18,874
Cash pledged for bank facilities	(1,767)	(1,615)
Fixed deposits	(8,239)	-
Cash and cash equivalents as disclosed in consolidated statement of cash flow	<u>6,105</u>	<u>17,259</u>

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E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Versalink Holdings Limited (the "Company") is incorporated in Singapore with limited liability. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited on 24 September 2014.

The board of directors approved and authorised these condensed interim consolidated financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

These condensed interim consolidated financial statements as at and for the six months ended 31 August 2026 comprise the Company and its subsidiaries (the "Group").

The principal activities of the Company are those of an investment holding company and the provision of management services.

The principal activities of the subsidiaries are manufacturing, marketing and sale of system furniture and other furniture related products.

The financial information contained in this announcement has neither been audited nor reviewed by the Company's auditors.

The latest audited annual consolidated financial statements of the Group for the year ended 28 February 2026 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

The condensed interim consolidated financial statements are presented in Ringgit Malaysia ("RM") and all financial information have been rounded to the nearest thousand (RM'000), except when otherwise stated.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 31 August 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited annual consolidated financial statements for the year ended 28 February 2026.

The accounting policies and methods of computation adopted are consistent with those adopted by the Company in its most recently audited annual consolidated financial statements for the year ended 28 February 2026, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

Accounting convention

The condensed interim consolidated financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

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2. Basis of preparation (Continued)

2.1 New and amended standards adopted by the Group

Other than the adoption of the new and amended standards from prior reporting year, there were no changes in accounting policies and methods of computation adopted in the condensed interim consolidated financial statements as compared to the most recently audited annual consolidated financial statements for the year ended 28 February 2026, which were in accordance with SFRS(I)s. These applicable new and amended standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

2.2 Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed interim consolidated financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual consolidated financial statements as at and for the year ended 28 February 2026.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The Group's business are not affected significantly by seasonal or cyclical factors during the financial period.

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Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

4. Segment and revenue information

The Group is organised into the following major business segments:

- (i) Domestic sales segment ("Domestic") - sales of office furniture derived from local market; and
- (ii) Export sales segment ("Export") - sales of office furniture to countries overseas.

These operating segments are reported in manner consistent with internal reporting provided to the operating decision maker who are responsible for allocating resources and assessing performance of the operating segments.

4.1 Reportable segments

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000	
1 March 2026 to 31 August 2026				
Revenue by segment				
Total revenue by segment	12,981	3,601	16,582	
Inter-segment sales	(1,977)	-	(1,977)	
Total revenue	<u>11,004</u>	<u>3,601</u>	<u>14,605</u>	
Cost of sales by segment				
Total cost of sales by segment	(10,045)	(2,303)	(12,348)	
Inter-segment cost of sales	1,977	-	1,977	
Total cost of sales	<u>(8,068)</u>	<u>(2,303)</u>	<u>(10,371)</u>	
Gross profit	<u>2,936</u>	<u>1,298</u>	<u>4,234</u>	
Recurring LBITDA				
Interest income			(797)	
Finance costs			146	
Depreciation and amortisation			(239)	
Loss before tax			(1,788)	
Income tax expense			(2,678)	
Loss, net of income tax			<u>-</u>	
			<u>(2,678)</u>	
Segment assets as at 31 August 2026				
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	32,077	11,300	26,771	70,148
Elimination of inter-segment receivables	-	(9,354)	(26,377)	(35,731)
Total group assets	<u>32,077</u>	<u>1,946</u>	<u>394</u>	<u>34,417</u>
Segment liabilities as at 31 August 2026				
Total liabilities for reportable segments	16,874	10,200	6,848	33,922
Elimination of inter-segment payables	(12,322)	(7,760)	(284)	(20,366)
Unallocated:				
Deferred tax liabilities	-	-	82	82
Loans and Borrowings	-	-	5,256	5,256
Hire Purchase and Lease Creditors	-	-	5,852	5,852
Total group liabilities	<u>4,552</u>	<u>2,440</u>	<u>17,754</u>	<u>24,746</u>

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4.1 Reportable segments (continued)

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
1 March 2025 to 31 August 2025			
Revenue by segment			
Total revenue by segment	17,570	4,374	21,944
Inter-segment sales	(2,413)	-	(2,413)
Total revenue	<u>15,157</u>	<u>4,374</u>	<u>19,531</u>
Cost of sales by segment			
Total cost of sales by segment	(14,338)	(2,828)	(17,166)
Inter-segment cost of sales	2,413	-	2,413
Total cost of sales	<u>(11,925)</u>	<u>(2,828)</u>	<u>(14,753)</u>
Gross profit	<u>3,232</u>	<u>1,546</u>	<u>4,778</u>
Recurring LBITDA			(3,145)
Interest income			165
Finance costs			(116)
Depreciation and amortisation			(1,042)
Loss before tax			(4,138)
Income tax expense			-
Loss, net of income tax			<u>(4,138)</u>
Segment assets as at 31 August 2025			
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000
Total assets for reportable segments	27,142	10,435	33,204
Elimination of inter-segment receivables	(9,310)	-	(33,036)
Total group assets	<u>17,832</u>	<u>10,435</u>	<u>168</u>
Segment liabilities as at 31 August 2025			
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000
Total liabilities for reportable segments	17,858	9,930	6,715
Elimination of inter-segment payables	(12,280)	(7,760)	(185)
Unallocated:			
Deferred tax liabilities	-	-	82
Total group liabilities	<u>5,578</u>	<u>2,170</u>	<u>6,612</u>

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4.2 Disaggregation of Revenue

	Group 6 months ended 31 August 2026		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	8,935	5,670	14,605
Total revenue	8,935	5,670	14,605
<u>Timing of revenue recognition:</u>			
At a point in time	8,935	5,670	14,605
Total revenue	8,935	5,670	14,605
<u>Geographical locations of customers:</u>			
Malaysia ("MY")	-	5,670	5,670
Middle East	1,429	-	1,429
North America	4,448	-	4,448
Asia and Oceania ex SG/MY	2,924	-	2,924
Singapore ("SG")	134	-	134
Total revenue	8,935	5,670	14,605
	Group 6 months ended 31 August 2025		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	8,404	11,127	19,531
Total revenue	8,404	11,127	19,531
<u>Timing of revenue recognition:</u>			
At a point in time	8,404	11,127	19,531
Total revenue	8,404	11,127	19,531
<u>Geographical locations of customers:</u>			
Malaysia ("MY")	-	11,127	11,127
Middle East	2,095	-	2,095
North America	2,296	-	2,296
Asia and Oceania ex SG/MY	3,888	-	3,888
Singapore ("SG")	81	-	81
Africa	44	-	44
Total revenue	8,404	11,127	19,531

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5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and liabilities of the Group and the Company as at 31 August 2026 and 28 February 2026:

	Group		Company	
	Unaudited 31 Aug 2026 RM'000	Audited 28 Feb 2026 RM'000	Unaudited 31 Aug 2026 RM'000	Audited 28 Feb 2026 RM'000
Financial Assets				
Financial assets at amortised cost	19,887	19,192	11,180	10,867
Financial Liabilities				
Financial liabilities at amortised cost	21,784	18,494	11,622	8,442

6. Loss before income tax

6.1 Significant items

	Group	
	Unaudited 6 months ended 31 Aug 2026 RM'000	Unaudited 6 months ended 31 Aug 2025 RM'000
Income		
Interest income	(146)	(165)
Write-back of allowance for doubtful debts	(73)	-
Gain on disposal of plant and equipment	(12)	(8)
Rental income	(300)	(220)
Foreign exchange adjustment gain, net	(292)	-
Sundry income	(24)	(61)
Expenses		
Depreciation of plant and equipment	520	511
Depreciation of right-of-use assets	1,268	531
Interest expenses	239	116
Foreign exchange adjustment loss, net	11	549
Inventories written off	27	557

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6. Loss before income tax (continued)

6.2 Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not significant.

a) Key management compensation:

	Group	
	Unaudited 6 months ended 31 Aug 2026	Unaudited 6 months ended 31 Aug 2025
	RM'000	RM'000
Salaries and other short-term employee benefits	1,523	1,582

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

	Group	
	Unaudited 6 months ended 31 Aug 2026	Unaudited 6 months ended 31 Aug 2025
	RM'000	RM'000
Remuneration of directors of the company	592	599
Fees to directors of the company	261	258

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. Key management compensation comprised those of directors and other key management personnel totalling 8 persons (31 August 2025: 8 persons).

b) Other receivables from related parties:

The movements in other receivables from related parties are as follows:

	Subsidiaries	
	Unaudited 31 Aug 2026	Unaudited 31 Aug 2025
	RM'000	RM'000
<u>Company</u>		
<u>Other receivables:</u>		
Balance at beginning of the period	5,355	5,355
Amounts paid out and settlement of liabilities on behalf of subsidiaries	93	-
Exchange differences	5	
Balance at end of the period	5,453	5,355

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7. Taxation

The Group calculated the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings. No income tax expenses were recorded in the condensed interim consolidated statement of profit or loss and other comprehensive income for the six months ended 31 August 2026 and 2025 as the Group has sufficient unutilised business losses to set off against potential taxable profit.

8. Net Asset Value ("NAV")

	Group		Company	
	Unaudited 31 Aug 2026	Audited 28 Feb 2026	Unaudited 31 Aug 2026	Audited 28 Feb 2026
NAV (RM'000)	9,671	12,340	15,144	17,968
Number of ordinary shares ('000)	135,000	135,000	135,000	135,000
NAV per ordinary share (Sen Ringgit Malaysia)	<u>7.2</u>	<u>9.1</u>	<u>11.2</u>	<u>13.3</u>

9. Plant and equipment

During the six months ended 31 August 2026, the Group acquired plant and equipment amounting to RM502,561 (31 August 2025: RM164,000).

10. Right-of-use assets

The subsidiary renewed its tenancy agreement for the period from 2 December 2025 to 1 December 2028, resulting in the recognition of a right-of-use asset and lease liability at inception of RM7,610,000.

11. Share capital

	Group and Company	
	Number of shares issued '000	Share capital RM'000
<u>Ordinary shares of no par value (excluding treasury shares):</u>		
As at 1 March 2026 and 31 August 2026	<u>135,000</u>	<u>36,435</u>

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's share capital during the six months financial period ended 31 August 2026.

There were no outstanding convertibles, subsidiary holdings or treasury shares as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of subsidiary holdings during and as at the end of the current financial period reported on.

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12. Group's borrowings and debts securities

	Group			
	Unaudited		Audited	
	31 Aug 2026	31 Aug 2026	28 Feb 2026	28 Feb 2026
Amount repayable within one year, or on demand	Secured	Unsecured	Secured	Unsecured
	RM'000	RM'000	RM'000	RM'000
Bankers' acceptance	168	-	285	-
Loan from a director	-	4,083	-	2,905
Loan from a shareholder	-	1,005	-	981
	<u>168</u>	<u>5,088</u>	<u>285</u>	<u>3,886</u>

The bankers' acceptances bear floating interest rates of 3.42% to 3.79% (2026 - 3.42% to 4.03%) and are secured by joint and personal guarantee by two (2) directors of a subsidiary and pledged of fixed deposits held by a financial institution.

Loans from a director and another shareholder are unsecured, bear interest at 5.00% per annum.

There are no amount payable after one year.

13. Subsequent events

Further to the earlier announcement made by the Company on 15 April 2025, the trial initiated by Ahmad Zaki Sdn Bhd against the Company's wholly-owned subsidiary, Versalink Marketing Sdn Bhd on 18 February 2022 (the "Civil Suit") has since commenced on 21 September 2026. The Company will continue to update shareholders as and when there are material developments.

For the avoidance of doubt, there are no adjustments arising from the Civil Suit and there are no known subsequent events which have led to adjustment to this set of condensed interim consolidated financial statements.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual
Section B: Rules of Catalyst ("Catalist Rules")

1. Review

The condensed interim consolidated statement of financial position of the Company and its subsidiaries as at 31 August 2026 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flow for the six months ended 31 August 2026 and explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of the performance of the Group**2.1 Review of Statement of Profit or Loss and Other Comprehensive Income****Turnover**

The Group's revenue decreased by RM4.93 million or 25.2% from RM19.53 million for six months ended 31 August 2025 ("1H FY2026") to RM14.61 million for six months ended 31 August 2026 ("1H FY2027").

The decrease was mainly due to lower revenue contributions from the export and domestic segments. The domestic segment recorded lower revenue of RM3.60 million in 1H FY2027, as compared to RM4.37 million in 1H FY2026, while the export segment recorded lower revenue of RM11.00 million in 1H FY2027, as compared to RM15.16 million in 1H FY2026. The decrease in revenue for both the domestic and export segments was mainly due to lower market activity during the period.

Cost of sales

Cost of sales decreased by RM4.38 million, or 29.7% from RM14.75 million in 1H FY2026 to RM10.37 million in 1H FY2027. The decrease was mainly attributable to lower factory overhead costs of RM2.81 million and lower raw material purchases of RM1.57 million, in line with the lower sales recorded by the Group during the period.

Gross profit

The gross profit margin increased from 24.5% in 1H FY2026 to 29% in 1H FY2027. The increase in gross profit margin was mainly due to the decrease in cost of sales of RM4.38 million, or 29.7%, which was greater than the decrease in revenue of RM4.93 million, or 25.2% and the absence in 1H FY2027 of the one-off inventory write-off of RM0.56 million recognised in 1H FY2026. Accordingly, gross profit decreased at a lower rate than revenue, resulting in an improvement in the gross profit margin.

Interest income

Interest income decreased from RM0.17 million in 1H FY2026 to RM0.15 million in 1H FY2027 mainly due to lower interest rates from bank on USD fixed deposits of RM19,000.

Other income and gains

Other income and gains increased from RM0.29 million in 1H FY2026 to RM0.7 million in 1H FY2027 mainly due to (i) an increase in warehouse storage rental income of RM80,000, (ii) a foreign exchange gain of RM0.29 million arising from movements in the exchange rate between the Ringgit Malaysia and the United States Dollar, and (iii) a write-back of provision for doubtful debts of RM73,000, which was not recorded in 1H FY2026, partially offset by a decrease in sundry income of RM33,000.

Marketing and distribution expenses

Marketing and distribution expenses increased by RM82,000 or 6.4% from RM1.29 million in 1H FY2026 to RM1.37 million in 1H FY2027. This was mainly due to increase in forwarding and handling charges of RM0.11 million and increase in overseas travelling expenses incurred for marketing activities of RM26,000. The increase was partially offset by a decrease in salesman commission of RM31,000 and decrease in advertising and promotion expenses for exhibitions of RM32,000.

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**Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual
Section B: Rules of Catalyst ("Catalist Rules")****2.1 Review of Statement of Profit or Loss and Other Comprehensive Income (continued)****Administrative expenses**

Administrative expenses decreased by RM1.29 million or 17.4% from RM7.41 million in 1H FY2026 to RM6.13 million in 1H FY2027. This was mainly attributable to the absence in 1H FY2027 of the provisions for factory lease maintenance expenses of RM1.2 million and allowance for the write-off of RM1.0 million land sale deposit, which were recognised in 1H FY2026. These decreases were partially offset by an increase in depreciation of right-of-use assets of RM0.74 million and an increase in general administrative expenses.

Depreciation expenses

Depreciation expenses for plant and equipment increased from RM0.51 million in 1H FY2026 to RM0.52 million in 1H FY2027 mainly arising from newly purchased plant and equipment during the period.

Depreciation expenses for right-of-use assets increased from RM0.53 million in 1H FY2026 to RM1.27 million in 1H FY2027 mainly due to the renewal of the existing leaseback agreement, with an increase in the lease cost effective from 2 December 2025.

Other losses

Other losses decreased from RM0.55 million in 1H FY2026 to RM22,000 in 1H FY2027 mainly due to decrease of the foreign exchange loss of RM0.53 million due to favourable movements in the exchange rate between Ringgit Malaysia and Singapore Dollar.

Finance costs

Finance costs increased from RM0.12 million in 1H FY2026 to RM0.24 million in 1H FY2027 mainly due to an increase in interest on lease liabilities arising from right-of-use asset of RM0.1 million and interest on the loan from director of RM38,000, partially offset by a decrease in bankers' acceptance, hire purchase and letter of credit charges of RM17,000.

Loss net of tax

As a result of the above, the Group reported a net loss after tax of RM4.14 million in 1H FY2026 as compared to a net loss after tax of RM2.68 million in 1H FY2027.

2.2 Review of Statement of Financial Position**Non-Current Assets**

As at 31 August 2026, the Group's non-current assets amounted to RM8.12 million or 23.6% of the Group's total assets and comprised the following:

(i) plant and equipment of RM2.41 million or 29.7% of the Group's total non-current assets. The decrease in plant and equipment of RM0.02 million was mainly due to depreciation of plant and equipment of RM0.52 million, partially offset by the acquisition of plant and equipment of RM0.5 million.

(ii) right-of-use assets of RM5.71 million or 70.3% of the Group's total non-current assets. The decrease in right-of-use assets of RM1.27 million was mainly due to the depreciation of right-of-use assets.

Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

**Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual
Section B: Rules of Catalyst ("Catalist Rules")****2.2 Review of Statement of Financial Position (continued)****Current Assets**

As at 31 August 2026, the Group's current assets amounted to RM26.3 million or 76.4% of the Group's total assets and comprised the following:

(i) inventories of RM4.14 million or 15.7% of the Group's total current assets, which comprised raw materials, work-in-progress and finished goods. The increase in inventories of RM1.02 million was due to higher finished goods held pending delivery to customers of RM0.28 million, increase in raw material of RM0.56 million and inventories retained at the showroom for display purposes of RM0.14 million.

(ii) trade and other receivables of RM3.78 million or 14.4% of the Group's total current assets. The increase in trade receivables of RM0.42 million was mainly due to a decrease in provision for doubtful debts of RM72,000 and more customers being granted credit terms compared with 1H FY2026.

(iii) other non-financial assets of RM2.27 million or 8.6% of the Group's total current assets. The increase in other non-financial assets of RM0.19 million was mainly due to an increase in advance payments to overseas suppliers prior to delivery of RM0.42 million, partially offset by (i) refund of bank guarantee deposits previously placed as security for product warranty obligations of RM77,000, (ii) prepayment was charged to exhibition expenses upon the commencement of the exhibition held in 2026 of RM52,000, (iii) amortisation of prepaid foreign worker levies of RM74,000, and (iv) charged out prepaid deposits for showroom maintenance expenses of RM24,000.

(iv) cash and bank balances of RM16.11 million or 61.3% of the Group's total current assets. Please refer to the section entitled "Review of Statement of Cash Flows" below for the movements in the Group's cash and bank balances.

Non-Current Liabilities

As at 31 August 2026, the Group's non-current liabilities amounted to RM3.41 million or 13.8% of the Group's total liabilities and comprised the following:

(i) deferred tax liabilities of RM0.08 million or 2.4% of the Group's total non-current liabilities.

(ii) lease liabilities of RM3.32 million or 97.6% of the Group's total non-current liabilities due to the reclassification to current liabilities and lease repayments.

Current Liabilities

As at 31 August 2026, the Group's current liabilities amounted to RM21.34 million or 86.2% of the Group's total liabilities and comprised the following:

(i) trade and other payables of RM10.68 million or 50% of the Group's total current liabilities which mainly consist of trade payables of RM2.74 million and other payables and accruals of RM7.93 million. The increase in trade and other payables of RM3.41 million was mainly attributable to (i) increase in salary payable to employees and directors of RM1.51 million due to amounts remaining unpaid as at the end of the period, (ii) accrued bonus of RM0.19 million recognised in 1H FY2027 but not record in 1H FY2026, (iii) accrued director fees of RM0.18 million, (iv) increase in other accruals of RM0.17 million, and (v) increase in trade payables of RM1.36 million.

(ii) other financial liabilities of RM5.26 million or 24.6% of the Group's total current liabilities which mainly consist of (i) banker's acceptance of RM0.17 million, (ii) amount due to director of RM4.08 million, and (iii) amount due to shareholders of RM1.01 million. The increase in other financial liabilities of RM1.09 million was mainly due to higher amount due to directors in 1H FY2027.

(iii) lease liabilities of RM2.53 million or 11.8% of the Group's total current liabilities. The increase in lease liabilities of RM70,000 was due to reclassification from non current asset.

(iv) provisions of RM2.88 million or 13.5% of the Group's total current liabilities.

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Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("Catalist Rules")

2.2 Review of Statement of Financial Position (continued)

Shareholders' equity

As at 31 August 2026, the Group's equity attributable to equity holders was RM9.67 million, comprising share capital of RM36.44 million, and net capital deficit of RM26.76 million.

Working Capital Position

The Group reported a positive working capital position of RM4.96 million as at 31 August 2026, as compared to RM7.62 million as at 28 February 2026.

2.3 Review of Statement of Cash Flows

As at 31 August 2026, the Group recorded cash and cash equivalents of RM6.11 million as compared to RM14.15 million as at 1 March 2026.

Net cash generated from operating activities for 1H FY2027 amounted to RM0.95 million. This was mainly due to operating cash outflows before changes in working capital of RM0.81 million and partially offset by a net working capital inflow of RM1.79 million, mainly due to the increase in trade and other payables of RM3.41 million, partially offset by (i) increases in inventories of RM1.02 million, (ii) increase in trade receivables of RM0.44 million and (iii) increase in other non-financial assets of RM0.16 million. In addition, income tax of RM30,000 was paid in 1H FY2027.

Net cash used in investing activities for 1H FY2027 amounted to RM8.58 million. This was due to the placement of fixed deposits of RM8.24 million and purchase of plant and equipment of RM0.5 million, which were partially offset by interest received of RM0.15 million and proceeds from disposal of plant and equipment of RM12,000.

Net cash used in financing activities for 1H FY2027 amounted to RM0.44 million. This was mainly due to (i) repayment of banker's acceptance of RM0.12 million, (ii) repayment of lease liabilities of RM1.21 million, (iii) interest paid of RM0.24 million and (iv) increase in cash restricted in use of RM76,000, and partially offset by increase in amount due to directors of RM1.18 million and increase in amount due to shareholders of RM24,000.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement was previously disclosed to the shareholders of the Company.

VERSALINK HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

**Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual
Section B: Rules of Catalyst ("Catalist Rules")****4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months**

The Group will continue to monitor market developments closely and adopt prudent cost management measures, improve production efficiency and explore new markets and product opportunities to mitigate the impact of external uncertainties. The Group is also monitoring the progress and commercial prospects of its Middle East contracts and assess potential business opportunities in the region, taking into consideration the prevailing geopolitical and operating conditions. The Group continues to explore opportunities to diversify its business activities with the aim of broadening its revenue streams and strengthening its long-term business sustainability.

In addition, the Company will continue to evaluate suitable funding and fundraising opportunities, where appropriate, to strengthen its financial position and support its business development and diversification plans. The Group will provide further updates on material developments when appropriate.

5. Dividend

The Board of Directors of the Company has decided not to declare or recommend any dividends for 1H FY2027 (1H FY2026: Nil) as the Group conserves funds for working capital in these uncertain times.

6. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalyst Rules.

There were no interested person transactions equal to or exceeding S\$100,000 entered into by the Group during the current financial period.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules.

The Company has received undertakings from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalyst Rules.

8. Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited condensed interim consolidated financial statements of the Group for the six months ended 31 August 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

GE SHUMING
Executive Director and Chairman

LAW KIAN SIONG
Executive Director

VERSALINK HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2026

**Other Information Required Pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual
Section B: Rules of Catalyst ("Catalist Rules")**

9. **Disclosure of acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period pursuant to Rule 706A of the Catalyst Rules.**

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 31 August 2026.

**BY ORDER OF THE BOARD OF DIRECTORS
VERSALINK HOLDINGS LIMITED**

GE SHUMING
Executive Director and Chairman
15th October 2026

This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Goh Mei Xian, ZICO Capital Pte. Ltd., at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: +65 6636 4201.