

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 2025

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Six Months ended 31 August 2025

		Group		
	Note	Unaudited 6 months ended 31 Aug 2025 RM'000	Unaudited 6 months ended 31 Aug 2024 RM'000	Increase/ (Decrease) +/(-) %
Revenue	4	19,531	20,605	(5.2)
Cost of sales		(14,753)	(14,843)	(0.6)
Gross profit		4,778	5,762	(17.1)
Interest income		165	128	28.9
Other income and gains		289	806	(64.1)
Marketing and distribution expenses		(1,291)	(1,630)	(20.8)
Administrative expenses		(7,414)	(4,652)	59.4
Other losses		(549)	(970)	(43.4)
Finance costs		(116)	(128)	(9.4)
Loss before income tax	6	(4,138)	(684)	>100
Income tax expenses	7	-	-	-
Loss, net of income tax		(4,138)	(684)	>100
<u>Other comprehensive loss:</u>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating of foreign operations, net of income tax		-	13	nm*
Total comprehensive loss for the period		(4,138)	(671)	>100
Loss net of tax attributable to:				
Owners of the Company		(4,138)	(671)	>100
Non-controlling interest		-	-	-
Loss net of tax		(4,138)	(671)	>100
Total comprehensive loss for the period attributable to:				
Owners of the Company		(4,138)	(671)	>100
Non-controlling interest		-	-	-
Total comprehensive loss for the period		(4,138)	(671)	>100
Loss per share attributable to the owners of the Company (Sen Ringgit Malaysia)				
Basic (A) and diluted (B)		(3.07)	(0.51)	

*nm denotes not meaningful

Notes:

(A) Computed based on loss attributable to 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.

(B) 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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B. Condensed Interim Consolidated Statements of Financial Position as at 31 August 2025

		Group		Company	
	Note	Unaudited 31.08.2025 RM'000	Audited 28.02.2025 RM'000	Unaudited 31.08.2025 RM'000	Audited 28.02.2025 RM'000
ASSETS					
<u>Non-current assets</u>					
Plant and equipment	9	2,651	2,997	-	-
Right-of-use assets	10	265	796	-	-
Investment in subsidiaries		-	-	22,270	22,270
Total non-current assets		2,916	3,793	22,270	22,270
<u>Current assets</u>					
Inventories		4,317	5,717	-	-
Trade and other receivables		2,232	4,193	10,765	10,765
Other non-financial assets		1,711	1,989	101	44
Cash and cash equivalents		17,259	15,433	68	186
Total current assets		25,519	27,332	10,934	10,995
Total assets		28,435	31,125	33,204	33,265
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	11	36,435	36,435	36,435	36,435
Accumulated losses		(22,343)	(18,205)	(9,748)	(7,366)
Foreign currency translation reserves		(17)	(17)	-	-
Total equity		14,075	18,213	26,687	29,069
<u>Non-current liabilities</u>					
Deferred tax liabilities	7	82	82	-	-
Other financial liabilities		30	39	-	-
Total non-current liabilities		112	121	-	-
<u>Current liabilities</u>					
Trade and other payables		7,768	6,353	2,964	1,830
Other financial liabilities		4,116	2,773	3,553	2,366
Lease liabilities		684	1,985	-	-
Provisions		1,680	1,680	-	-
Total current liabilities		14,248	12,791	6,517	4,196
Total liabilities		14,360	12,912	6,517	4,196
Total equity and liabilities		28,435	31,125	33,204	33,265

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Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2025

C. Condensed Interim Consolidated Statements of Changes In Equity For the Six Months ended 31 August 2025

<u>Group</u>	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 2025 (Audited)	36,435	(17)	(18,205)	-	18,213
Total comprehensive loss for the period	-	-	(4,138)	-	(4,138)
Balance at 31 August 2025 (Unaudited)	36,435	(17)	(22,343)	-	14,075
Balance at 1 March 2024 (Audited)	36,435	(29)	(15,577)	-	20,829
Loss for the financial period	-	-	(684)	-	(684)
Exchange differences on translation of foreign operations	-	13	-	-	13
Total comprehensive loss for the period	-	13	(684)	-	(671)
Balance at 31 August 2024 (Unaudited)	36,435	(16)	(16,261)	-	20,158
<u>Company</u>			Unaudited Share Capital RM'000	Unaudited Accumulated Losses RM'000	Unaudited Total Equity RM'000
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
Balance at 1 March 2024 (Audited)			36,435	(1,491)	34,944
Total comprehensive loss for the period			-	(1,480)	(1,480)
Balance at 31 August 2024 (Unaudited)			36,435	(2,971)	33,464

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D. Condensed Interim Consolidated Statement of Cash Flows For the Six Months ended 31 August 2025

	Group	
	Unaudited 6 months ended 31 Aug 2025 RM'000	Unaudited 6 months ended 31 Aug 2024 RM'000
<u>Cash flows from operating activities</u>		
Loss before tax	(4,138)	(684)
Adjustments for:		
Depreciation of plant and equipment	511	667
Depreciation of right-of-use assets	531	531
Gain on disposal of plant and equipment	(7)	-
Interest income	(165)	(128)
Interest expenses	111	128
Operating cash flows before changes in working capital	(3,157)	514
Inventories	1,400	(2,439)
Trade and other receivables	1,961	1,296
Other non-financial assets	440	(1,498)
Provisions	-	200
Trade and other payables	967	242
Net cash flows generated from/(used in) from operations	1,611	(1,685)
Income taxes paid	(163)	(110)
Net cash generated from/(used in) operating activities	1,448	(1,795)
<u>Cash flows used in investing activities</u>		
Purchase of plant and equipment	(164)	(53)
Proceeds from disposal of plant and equipment	8	-
Placement of fixed deposits	(99)	(99)
Interest received	165	128
Net cash flows used in investing activities	(90)	(24)
<u>Cash flows used in financing activities</u>		
Increase in other financial liabilities	1,344	2,091
Interest paid	(111)	(128)
Payment of lease liabilities	(1,310)	(1,248)
Decrease in cash restricted in use	-	12
Placement of fixed deposits	99	-
Net cash flows generated from financing activities	22	727
Net increase/(decrease) in cash and cash equivalents	1,380	(1,092)
Cash and cash equivalents, statement of cash flows, beginning balance	15,433	12,941
Effect of foreign exchange rate changes	446	835
Cash and cash equivalents, statement of cash flows, ending balance (Note A)	17,259	12,684

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Note A:

	Group	
	Unaudited 6 months ended 31 Aug 2025	Unaudited 6 months ended 31 Aug 2024
	RM'000	RM'000
Cash and bank balances at end of the period	18,874	16,722
Cash pledged for bank facilities	(1,615)	(4,038)
Cash and cash equivalents as disclosed in consolidated statement of cash flow	<u>17,259</u>	<u>12,684</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 2025 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 2025 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 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 Interim Financial Reporting issued by the Singapore Accounting Standards Council.

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 2025.

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2. Basis of preparation (Continued)

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 2025, 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.

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 2025, 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 2025.

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 2025

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 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	15,157	4,374	19,531	
Recurring LBITDA				
Interest income			(3,145)	
Finance costs			165	
Depreciation and amortisation			(116)	
			(1,042)	
Loss before tax			(4,138)	
Income tax expense			-	
Loss, net of income tax			(4,138)	
Segment assets				
as at 31 August 2025	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	27,142	10,435	33,204	70,781
Elimination of inter-segment receivables	(9,310)	-	(33,036)	(42,346)
Total group assets	17,832	10,435	168	28,435
Segment liabilities				
as at 31 August 2025				
Total liabilities for reportable segments	17,858	9,930	6,715	34,503
Elimination of inter-segment payables	(12,280)	(7,760)	(185)	(20,225)
Unallocated:				
Deferred tax liabilities	-	-	82	82
Total group liabilities	5,578	2,170	6,612	14,360

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4.1 Reportable segments (continued)

	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000	
1 March 2024 to 31 August 2024				
Revenue by segment				
Total revenue by segment	17,985	5,702	23,687	
Inter-segment sales	(3,082)	-	(3,082)	
Total revenue	14,903	5,702	20,605	
Recurring LBITDA				
Interest income			610	
Finance costs			128	
Depreciation and amortisation			(128)	
Loss, net of income tax			(1,294)	
Segment assets as at 31 August 2024				
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Unallocated RM'000	Unaudited Group RM'000
Total assets for reportable segments	32,027	9,700	36,225	77,952
Elimination of inter-segment receivables	(7,164)	-	(35,287)	(42,451)
Total group assets	24,863	9,700	938	35,501
Segment liabilities as at 31 August 2024				
Total liabilities for reportable segments	19,780	10,621	2,943	33,344
Elimination of inter-segment payables	(10,154)	(7,760)	(170)	(18,084)
Unallocated:				
Deferred tax liabilities	-	-	83	83
Total group liabilities	9,626	2,861	2,856	15,343

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4.2 Disaggregation of Revenue

	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

	Group 6 months ended 31 August 2024		
	Unaudited Export RM'000	Unaudited Domestic RM'000	Unaudited Group RM'000
<u>Types of goods or services:</u>			
Sales of goods	10,207	10,398	20,605
Total revenue	10,207	10,398	20,605
<u>Timing of revenue recognition:</u>			
At a point in time	10,207	10,398	20,605
Total revenue	10,207	10,398	20,605
<u>Geographical locations of customers:</u>			
Malaysia ("MY")	-	10,398	10,398
Middle East	2,949	-	2,949
North America	4,191	-	4,191
Asia and Oceania ex SG/MY	2,880	-	2,880
Singapore ("SG")	158	-	158
Others	29	-	29
Total revenue	10,207	10,398	20,605

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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 2025 and 28 February 2025:

	Group		Company	
	Unaudited 31 Aug 2025 RM'000	Audited 28 Feb 2025 RM'000	Unaudited 31 Aug 2025 RM'000	Audited 28 Feb 2025 RM'000
Financial Assets				
Financial assets at amortised cost	19,491	19,626	10,810	10,951
Financial Liabilities				
Financial liabilities at amortised cost	12,598	11,150	6,517	4,196

6. Loss before income tax

6.1 Significant items

	Group	
	Unaudited 6 months ended 31 Aug 2025 RM'000	Unaudited 6 months ended 31 Aug 2024 RM'000
Income		
Interest income	(165)	(128)
Expenses		
Depreciation of plant and equipment	511	667
Depreciation of right-of-use assets	531	531
Interest expenses	116	128
Foreign exchange adjustment loss, net	549	970
Inventories written off	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 2025	Unaudited 6 months ended 31 Aug 2024
	RM'000	RM'000
Salaries and other short-term employee benefits	1,582	1,681

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

	Group	
	Unaudited 6 months ended 31 Aug 2025	Unaudited 6 months ended 31 Aug 2024
	RM'000	RM'000
Remuneration of directors of the company	599	618
Fees to directors of the company	258	269

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 2024: 12 persons).

b) Other receivables from related parties:

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

	Subsidiaries	
	Unaudited 31 Aug 2025	Unaudited 31 Aug 2024
	RM'000	RM'000
<u>Company</u>		
<u>Other receivables:</u>		
Balance at beginning of the period	5,355	5,367
Amounts paid in and settlement of liabilities on behalf of the company	-	(12)
Balance at end of the period	5,355	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 2025 and 2024 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 2025	Audited 28 Feb 2025	Unaudited 31 Aug 2025	Audited 28 Feb 2025
NAV (RM'000)	14,075	18,213	26,687	29,069
Number of ordinary shares ('000)	135,000	135,000	135,000	135,000
NAV per ordinary share (Sen Ringgit Malaysia)	10.4	13.5	19.8	21.5

9. Plant and equipment

During the six months ended 31 August 2025, the Group acquired plant and equipment amounting to RM164,000 (31 August 2024: RM53,000).

10. Right-of-use assets

On 23 September 2022, the Company's wholly-owned subsidiary, Jemaramas Jaya Sdn Bhd, entered into a sale and leaseback agreement with RHB Trustees Berhad as trustee for Axis Real Estate Investment Trust for the sale of freehold land and building at RM41,000,000. This transaction resulted in a net gain of RM19,154,000 and the recognition of a right-of-use asset of RM3,184,000 and lease liability of RM7,408,000 on the Group's statement of financial position.

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11. Share capital

	Group and Company	
	Number of shares issued	Share capital
	'000	RM'000
<u>Ordinary shares of no par value (excluding treasury shares):</u>		
As at 1 March 2025 and 31 August 2025	135,000	36,435

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 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 2025	31 Aug 2025	28 Feb 2025	28 Feb 2025
Amount repayable within one year, or on demand	Secured	Unsecured	Secured	Unsecured
	RM'000	RM'000	RM'000	RM'000
Bankers' acceptance	563	-	407	-
	<u>563</u>	<u>-</u>	<u>407</u>	<u>-</u>

The bankers' acceptances are secured by joint and personal guarantee by two directors of a subsidiary and pledged of fixed deposits held by a financial institution.

13. Subsequent events

There are no known subsequent events which have led to adjustments 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 2025 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 2025 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 approximately RM1.07 million or approximately 5.2% from approximately RM20.61 million for six months ended 31 August 2024 ("**1H FY2025**") to approximately RM19.53 million for six months ended 31 August 2025 ("**1H FY2026**").

The decrease was mainly due to lower revenue contribution from the export segment, partially offset by the higher revenue contribution from the domestic segment. Domestic segment recorded a higher revenue of approximately RM11.13 million in 1H FY2026 as compared to approximately RM10.40 million in 1H FY2025 whilst export segment recorded a lower revenue of approximately RM8.40 million in 1H FY2026, as compared to approximately RM10.21 million in 1H FY2025. The increase in revenue for domestic segment was mainly due to the increased demand in office furniture spending in Malaysia whilst decrease in revenue for export was mainly due to reduction in sales demand from North America of approximately RM2.30 million in 1H FY2026 (1H FY2025: RM4.19 million) in light of global uncertainty which may be exacerbated by the tariffs situation.

Cost of sales

Cost of sales decreased by approximately RM0.09 million, or approximately 0.6% from approximately RM14.84 million in 1H FY2025 to approximately RM14.75 million in 1H FY2026. The decrease in cost of sales was mainly due to the overall reduction in the Group's revenue of RM1.07 million.

Gross profit

The gross profit margin decreased from approximately 28.0% in 1H FY2025 to approximately 24.5% in 1H FY2026. The decrease in gross profit margin was mainly due to the written off of finished goods of approximately RM0.56 million in 1H FY2026.

Interest income

Interest income increased from approximately RM0.13 million in 1H FY2025 to approximately RM0.17 million in 1H FY2026 mainly due to increase in interest income of approximately RM0.04 million from banks.

Other income and gains

Other income and gains decreased from approximately RM0.81 million in 1H FY2025 to approximately RM0.29 million in 1H FY2026 mainly due to absence of (i) write back of slow-moving stock of RM0.26 million; (ii) write back of provision of royalty expenses of RM0.12 million; and (iii) sales of scrap and Human Resources Development Fund claim of an aggregate of RM0.14 million in 1H FY2025.



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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)

Marketing and distribution expenses

Marketing and distribution expenses decreased by approximately RM0.34 million or approximately 20.8% from approximately RM1.63 million in 1H FY2025 to approximately RM1.29 million in 1H FY2026. This was mainly due to the decrease in (i) advertisement & promotion of approximately RM0.02 million; (ii) sales commission of approximately RM0.08 million; (iii) employee benefit expenses of approximately RM0.05 million; (iv) logistics cost of approximately RM0.05 million; (v) drawing and design fee of approximately RM0.08 million; and (vi) travelling expenses of approximately RM0.06 million.

Administrative expenses

Administrative expenses increased by approximately RM2.76 million or approximately 59.4% from approximately RM4.65 million in 1H FY2025 to approximately RM7.41 million in 1H FY2026. This was mainly due to the partial refund of the purchase consideration of RM1.2 million by the Group as certain conditions were not met in respect to the sale and leaseback agreement dated 23 September 2022 with RHB Trustees Berhad for Axis Real Estate Investment Trust for the sale of freehold land and building at RM41,000,000 and the increase in general administrative expenses.

Depreciation expenses

Depreciation expenses for plant and equipment decreased from approximately RM0.67 million in 1H FY2025 to approximately RM0.51 million in 1H FY2026 mainly due to the decrease of RM0.16 million from depreciation of mould, office equipment, plant and machinery in 1H FY2026.

Depreciation expenses for right-of-use assets remain unchanged, at approximately RM0.53 million for 1H FY2026 (1H FY2025: RM0.53 million).

Other losses

Other losses decreased from approximately RM0.97 million in 1H FY2025 to approximately RM0.55 million in 1H FY2026. It was mainly attributed to the decrease of foreign exchange loss of approximately RM0.42 million due to the strengthening of Malaysia Ringgit against foreign currencies such as the United States Dollar and Singapore Dollar.

Finance costs

Finance costs decreased from approximately RM0.13 million in 1H FY2025 to approximately RM0.12 million in 1H FY2026 mainly due to decrease in interest of lease liabilities arising from right-of-use asset of approximately RM0.06 million and banker acceptance interest of approximately RM0.02 million.

Loss net of tax

As a result of the above, the Group reported a net loss after tax of approximately RM4.14 million in 1H FY2026 as compared to a net loss after tax of approximately RM0.68 million in 1H FY2025.

VERSALINK HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2025

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****Non-Current Assets**

As at 31 August 2025, the Group's non-current assets amounted to approximately RM2.92 million or approximately 10.3% of the Group's total assets and comprised the following:

- (i) plant and equipment of approximately RM2.65 million or approximately 90.9% of the Group's total non-current assets. The decrease in plant and equipment of approximately RM0.35 million was mainly due to depreciation of plant and machinery of approximately RM0.51 million, partially offset by the acquisition of plant and machinery of approximately RM0.17 million.
- (ii) right-of-use assets of approximately RM0.27 million or approximately 9.1% of the Group's total non-current assets. The decrease in right-of-use assets of approximately RM0.53 million was mainly due to the depreciation of right-of-use assets.

Current Assets

As at 31 August 2025, the Group's current assets amounted to approximately RM25.52 million or approximately 89.7% of the Group's total assets and comprised the following:

- (i) inventories of approximately RM4.32 million or approximately 16.9% of the Group's total current assets, which comprised raw materials, work-in-progress and finished goods. The decrease in inventories of approximately RM1.40 million was mainly due to written off of obsolete, discontinue product and defect inventories.
- (ii) trade and other receivables of approximately RM2.23 million or approximately 8.7% of the Group's total current assets. The decrease in trade and other receivables of approximately RM1.96 million was mainly due to written off of deposit paid of RM1.0 million and reduction of trade receivables outstanding of RM0.96 million.
- (iii) other non-financial assets of approximately RM1.71 million or approximately 6.7% of the Group's total current assets. The decrease in other non-financial assets of approximately RM0.28 million was mainly due to the reduction of other receivables of approximately RM0.28 million.
- (iv) cash and cash equivalents of approximately RM17.26 million or approximately 67.6% 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 cash equivalents.

Non-Current Liabilities

As at 31 August 2025, the Group's non-current liabilities amounted to approximately RM0.11 million or approximately 0.8% of the Group's total liabilities and comprised the following:

- (i) deferred tax liabilities of approximately RM0.08 million or approximately 73.2% of the Group's total non-current liabilities.
- (ii) other financial liabilities of approximately RM0.03 million or approximately 26.8% of the Group's total non-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)**Current Liabilities**

As at 31 August 2025, the Group's current liabilities amounted to approximately RM14.25 million or approximately 99.2% of the Group's total liabilities and comprised the following:

- (i) trade and other payables of approximately RM7.77 million or approximately 54.52% of the Group's total current liabilities which mainly consist of (a) trade payables of approximately RM1.41 million, and (b) other payables of approximately RM6.36 million. The increase in trade and other payables of approximately RM1.42 million was mainly due to increase in other payables of approximately RM2.88 million; and partly offset by decrease in trade payables of approximately RM1.47 million.
- (ii) other financial liabilities of approximately RM4.12 million or approximately 28.89% of the Group's total current liabilities which mainly consist of (a) banker's acceptance of approximately RM0.56 million, (b) amount due to director of approximately RM2.52 million, and (c) amount due to shareholders of approximately RM1.03 million. The increase in other financial liabilities of approximately RM1.34 million was due to increase usage of banker's acceptance; and the loans extended by Mr Ge Shuming (Executive Director and Chief Executive Officer of the Company) to the Company. Please refer to Note 6 below for more information in relation to the loans.
- (iii) lease liabilities of approximately RM0.68 million or approximately 4.80% of the Group's total current liabilities. The decrease in lease liabilities of approximately RM1.30 million was due to repayment of lease instalment of approximately RM1.30 million.
- (iv) provisions of approximately RM1.68 million or approximately 11.79% of the Group's current liabilities.

Shareholders' equity

As at 31 August 2025, the Group's equity attributable to equity holders was approximately RM14.08 million, comprising share capital of approximately RM36.44 million, and net capital deficit of approximately RM22.34 million.

Working Capital Position

The Group reported a positive working capital position of approximately RM11.27 million as at 31 August 2025, as compared to approximately RM14.54 million as at 28 February 2025.

2.3 Review of Statement of Cash Flows

As at 31 August 2025, the Group recorded cash and cash equivalents of approximately RM17.26 million as compared to approximately RM15.43 million as at 1 March 2025.

Net cash generated from operating activities for 1H FY2026 amounted to approximately RM1.45 million. This was mainly due to operating cash outflows before changes in working capital of approximately RM3.16 million and net working capital inflows of approximately RM4.77 million. The net inflow was mainly due to (i) the decrease in inventories of approximately RM1.40 million; (ii) the decrease in other non-financial assets of approximately RM0.44 million; (iii) the decrease in trade and other receivables of approximately RM1.96 million; and (iv) the increase in trade and other payables of approximately RM0.97 million. In addition, income tax of approximately RM0.16 million was paid in 1H FY2026.

Net cash generated from investing activities for 1H FY2026 amounted to approximately RM0.09 million. This was mainly due to the placement of fixed deposits of approximately RM0.09 million, and purchase of plant and equipment of approximately RM0.16 million, which were partially offset by interest received of approximately RM0.17 million.

Net cash generated from financing activities for 1H FY2026 amounted to approximately RM0.02 million. This was mainly due to (i) banker's acceptance drawdown (net of repayment) of approximately RM0.15 million; (ii) amount due to directors of approximately RM1.16 million; (iii) amount due to shareholders of approximately RM0.03 million; and (iv) placement of fixed deposits of approximately RM0.09 million, partially offset by (i) repayment of lease liabilities of approximately RM1.31 million; and (ii) interest paid of approximately RM0.11 million.

VERSALINK HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Six Months Ended 31 August 2025

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

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 global economy outlook is expected to remain uncertain and volatile as a result of prolonged geopolitical conflict in the Middle East as well as between Russia and Ukraine, the changing rates of tariff imposed by USA and foreign exchange rates fluctuation.

Red Sea disruption causes ocean freight spiked resulting escalation of logistic cost and the strengthening of Ringgit Malaysia against US Dollar will continue to affect the financial performance of the Group.

In view of above, the Group will continue to remain resilient and vigilant in addressing the uncertainties and also align its strategies of cost controlling, enhancing production efficiency, exploring new markets and products with the prevailing market situation.

The Company is in the process of exploring new business opportunities to diversify its revenue stream and strengthen shareholders' value. At the same time, the Company is also looking to capital markets to explore fundraising opportunities to strengthen its cash and financial position, and in this regard, the Company has been in discussions with potential investors who have shown keen interest in investing into the Company.

5. Dividend

The Board of Directors of the Company has decided not to declare or recommend any dividends for 1H FY2026 (1H FY2025: Nil) as the Group conserves funds for working capital.

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 exceeding S\$100,000 entered into by the Group during the current financial period. The Company had entered into four (4) loan agreements with Mr Ge Shuming ("**Mr Ge**"), a director of the Company on 26 May 2025, 29 June 2025, 7 August 2025, and 21 August 2025 respectively in which Mr Ge granted total loan of S\$340,000 to the Company for its working capital purposes for a period of 1 year at interest rate of 5% per annum, which total interest for the four (4) loans to be paid by the Company amounted to S\$17,000 (equivalent to RM56,234), representing approximately 0.31% of the Group's net tangible assets for the latest audited financial statements for financial year ended 28 February 2025.

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 2025 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 2025

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 2025.

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

GE SHUMING
Executive Director and Chairman
15th October 2025

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.