



FLEXIDYNAMIC HOLDINGS BERHAD

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**

FLEXIDYNAMIC HOLDINGS BERHAD

Registration No: 201901010656 (1319984-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2024 RM'000	Audited 31/12/2023 RM'000
Revenue	20,954	8,655	52,685	38,261
Cost of sales	(18,605)	(4,810)	(42,615)	(27,781)
Gross profit	2,349	3,845	10,070	10,480
Other income	799	95	1,018	838
Allowance of expected credit losses on trade receivables	(368)	-	(368)	-
Selling and distribution expenses	(183)	(120)	(611)	(614)
Administrative expenses	(2,087)	(2,282)	(6,605)	(6,983)
Other expenses	(718)	(275)	(1,775)	(1,610)
(Loss)/Profit from operations	(208)	1,263	1,729	2,111
Finance costs	(100)	(69)	(358)	(240)
Finance income	9	11	38	94
(Loss)/Profit before tax	(299)	1,205	1,409	1,965
Tax (expense)/income	(244)	78	(73)	(1,588)
(Loss)/Profit after tax	(543)	1,283	1,336	377
Other comprehensive (loss)/income: -				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Foreign currency translations differences	(13)	-	6	22
Total comprehensive (loss)/income for the financial period/year	(556)	1,283	1,342	399
(Loss)/Profit attributable to: -				
Owners of the Company	(515)	1,396	1,538	909
Non-controlling interest	(28)	(113)	(202)	(532)
	(543)	1,283	1,336	377
Total comprehensive (loss)/income attributable to: -				
Owners of the Company	(521)	1,396	1,541	920
Non-controlling interest	(35)	(113)	(199)	(521)
Total comprehensive (loss)/income for the financial period/year	(556)	1,283	1,342	399
(Loss)/Earnings per share attributable to owners of the Company (sen): -				
Basic	(0.17)	0.49	0.52	0.32
Diluted	(0.17)	0.49	0.52	0.32

NOTE:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of Flexidynamic Holdings Berhad (“**Flexidynamic**” or “**the Company**”) and its subsidiaries (“**the Group**”) for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

FLEXIDYNAMIC HOLDINGS BERHAD

Registration No: 201901010656 (1319984-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024⁽¹⁾

	Unaudited As At 31/12/2024 RM'000	Audited As At 31/12/2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	8,633	9,347
Investment properties	12,915	13,063
Deferred tax assets	3,671	3,494
Other receivables	2	-
Total non-current assets	25,221	25,904
Current assets		
Inventories	7,733	4,547
Trade receivables	27,250	17,238
Other receivables	12,336	10,138
Contract assets	5,737	-
Contract costs	337	-
Tax recoverable	3,012	2,908
Fixed deposits with a licensed financial institution	451	439
Cash and bank balances and short-term investments	9,778	7,709
Total current assets	66,634	42,979
TOTAL ASSETS	91,855	68,883
EQUITY AND LIABILITIES		
EQUITY		
Share capital	37,739	35,623
Merge deficit	(20,431)	(20,431)
Capital reserve	631	631
Share based payment reserve	1,525	1,398
Foreign exchange reserve	5	2
Retained earnings	22,352	20,814
Equity attributable to owners of the Company	41,821	38,037
Non-controlling interest	225	(175)
TOTAL EQUITY	42,046	37,862
LIABILITIES		
Non-current liabilities		
Bank borrowings	12,372	6,466
Lease liabilities	415	641
Employees' benefits	79	8
Total non-current liabilities	12,866	7,115
Current Liabilities		
Trade payables	16,152	7,342
Other payables and accruals	1,676	1,349
Contract liabilities	16,164	14,072
Bank borrowings	2,663	731
Lease liabilities	275	412
Tax payable	13	-
Total current liabilities	36,943	23,906
TOTAL LIABILITIES	49,809	31,021
TOTAL EQUITY AND LIABILITIES	91,855	68,883
Net assets per ordinary share (RM) ⁽²⁾	0.14	0.13

NOTES:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the number of ordinary shares in issue of 299,679,925 shares. (2023: 284,679,925).

FLEXIDYNAMIC HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024⁽¹⁾

	← Non-Distributable				→ Distributable				
	Share Capital RM'000	Merger Deficit RM'000	Capital Reserve RM'000	Share Based Payment Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance at 1 January 2024	35,623	(20,431)	631	1,398	2	20,814	38,037	(175)	37,862
Transactions with owners:									
Issue of ordinary shares	2,175	-	-	-	-	-	2,175	-	2,175
Share issuance expenses	(59)	-	-	-	-	-	(59)	-	(59)
Share based payment relating to ESOS	-	-	-	127	-	-	127	-	127
Subscription shares in a subsidiary by non-controlling interest	-	-	-	-	-	-	-	599	599
Total transactions with owners	2,116	-	-	127	-	-	2,243	599	2,842
Profit/(Loss) after tax	-	-	-	-	-	1,538	1,538	(202)	1,336
Foreign currency translations differences	-	-	-	-	3	-	3	3	6
Total comprehensive income/(loss) for the year	-	-	-	-	3	1,538	1,541	(199)	1,342
Balance at 31 December 2024 (Unaudited)	37,739	(20,431)	631	1,525	5	22,352	41,821	225	42,046
Balance at 1 January 2023	35,623	(20,431)	631	1,114	(9)	19,905	36,833	346	37,179
Transaction with owners:									
Share based payment relating to ESOS	-	-	-	284	-	-	284	-	284
Total transaction with owners	-	-	-	284	-	-	284	-	284
Profit/(Loss) after tax	-	-	-	-	-	909	909	(532)	377
Foreign currency translations differences	-	-	-	-	11	-	11	11	22
Total comprehensive income/(loss) for the year	-	-	-	-	11	909	920	(521)	399
Balance at 31 December 2023 (Audited)	35,623	(20,431)	631	1,398	2	20,814	38,037	(175)	37,862

NOTE:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024⁽¹⁾

	12 months ended Unaudited 31/12/2024 RM'000	12 months ended Audited 31/12/2023 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before tax	1,409	1,965
Adjustments for: -		
Allowance for expected credit losses on trade receivables	368	-
Depreciation of property, plant and equipment	1,019	1,305
Depreciation of investment properties	148	111
Gain on disposal of property, plant and equipment	(138)	(167)
Interest expenses	358	240
Interest income	(38)	(94)
Property, plant and equipment written off	28	43
Right-of-use assets written off	-	28
Bad debts written off	21	7
Share based payment expenses	127	284
Dividend income	(107)	(75)
Employees' benefits	71	-
Loss on acquisition of subsidiary's assets	418	-
Unrealised loss/(gain) on foreign exchange	183	(60)
Operating profit before working capital changes	3,867	3,587
(Increase)/Decrease in inventories	(3,186)	1,837
(Increase)/Decrease in receivables	(12,601)	5,025
Increase/(Decrease) in payables and contract liabilities	4,938	(9,818)
Cash generated (used in)/from operations	(6,982)	631
Tax paid	(355)	(818)
Tax refunded	13	-
Net cash used in operating activities	(7,324)	(187)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(96)	(144)
Interests received	38	94
Dividend received	107	75
Proceed from disposal of property, plant and equipment	214	449
Net cash acquired on subsidiary's assets	181	-
Net cash from investing activities	444	474

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024⁽¹⁾ (Cont'd)

	12 months ended Unaudited 31/12/2024 RM'000	12 months ended Audited 31/12/2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interests paid	(358)	(240)
Proceeds from issuance of ordinary shares	2,175	-
Share issuance expenses	(59)	-
Drawdown of bank borrowings	11,019	11,580
Repayments of bank borrowings	(3,181)	(14,345)
Repayments of lease liabilities	(464)	(658)
Net cash from/(used in) financing activities	<u>9,132</u>	<u>(3,663)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,252	(3,376)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	8,148	11,480
EFFECT OF EXCHANGE RATES CHANGES	(171)	44
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>10,229</u>	<u>8,148</u>
Represented by: -		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	9,778	7,709
Fixed deposits with a licensed financial institution	451	439
	<u>10,229</u>	<u>8,148</u>

NOTE:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING****A1. BASIS OF PREPARATION**

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

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

A2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Group’s audited financial statements for the financial year ended 31 December 2023.

On 1 January 2024, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2024.

- MFRS 7: Financial Instruments: Disclosure – Supplier Finance Arrangements
- Amendments to MFRS 16: Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101: Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to MFRS 107: Statement of Cash Flows – Supplier Finance Arrangements

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

The new and amended standards and interpretations that are issued, but not yet effective for 31 December 2024 reporting period are as below and have not been early adopted by the Group.

Standards	Effective for financial period beginning on or after
Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 7: Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 7: Financial Instruments: Disclosures – Annual Improvements – Volume 11	1 January 2026
Amendments to MFRS 9: Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**A2. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)**

The new and amended standards and interpretations that are issued, but not yet effective for 31 December 2024 reporting period are as below and have not been early adopted by the Group.

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

* Not applicable to the Group's operation

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

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2023 was issued without any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. MATERIAL AND UNSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A6. MATERIAL SUBSEQUENT EVENT

No material subsequent event to the end of the current financial quarter under review.

A7. DEBT AND EQUITY SECURITIES

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**A8. DIVIDEND PAID**

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

A9. SEGMENTAL INFORMATION

The Group is principally engaged in the business of design, engineering, installation and commissioning of glove chlorination systems, as well as design and installation of storage tanks and process tanks for glove manufacturing industry.

On 11 March 2024, the Group was awarded a sub-contract for supply and installation of mechanical and electrical (“M&E”) engineering works for the water treatment plant and water intake at Loji Rawatan Air Chupak, Jajahan Gua Musang, Kelantan. This sub-contract has started to contribute to the Group's earnings.

The Group is currently involved in two operating segments, namely the glove manufacturing industry and M&E engineering industry. The glove manufacturing industry and M&E engineering industry contributed 82% and 18% respectively, to the Group's revenue in the current financial year.

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	RM'000	RM'000	RM'000	RM'000
Local	20,414	3,830	49,430	14,615
Overseas ⁽¹⁾	540	4,825	3,255	23,646
	<u>20,954</u>	<u>8,655</u>	<u>52,685</u>	<u>38,261</u>

Note:

(1) Includes Vietnam, Thailand, Indonesia, Sri Lanka and the United States of America.

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A11. CHANGES IN THE COMPOSITION OF THE GROUP

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

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**A12. CAPITAL COMMITMENTS**

The capital commitments of the Group as at 31 December 2024 is as follow: -

	Unaudited As At 31/12/2024 RM'000
Authorised and contracted for: -	
Property, plant and equipment	<u>6,297</u>

A13. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2024 RM'000	Audited 31/12/2023 RM'000
Rental expenses	16	16	66	66
Lease payment	7	6	25	25
Interest payment	-	-	4	-
Sales of trading good	-	-	-	4
Purchase of timber	127	-	206	-

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**PART B – EXPLANATORY NOTES PURSUANT TO CHARTER 9, APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES****B1. PERFORMANCE REVIEW**

	Individual Quarter 3 months ended			Cumulative Quarter 12 months ended		
	Unaudited	Unaudited	Changes	Unaudited	Audited	Changes
	31/12/2024 RM'000	31/12/2023 RM'000	%	31/12/2024 RM'000	31/12/2023 RM'000	%
Revenue	20,954	8,655	142.10	52,685	38,261	37.70
Operating Profit	878	1,538	(42.91)	3,872	3,721	4.06
(Loss)/Profit before interest and tax	(208)	1,263	(116.47)	1,729	2,111	(18.10)
(Loss)/Profit before tax	(299)	1,205	(124.81)	1,409	1,965	(28.30)
(Loss)/Profit after tax	(543)	1,283	(142.32)	1,336	377	254.38
(Loss)/Profit attributable to: - Owners of the Company	(515)	1,396	(136.89)	1,538	909	69.20

(a) Results for current financial quarter

The Group recorded revenue of RM20.95 million for the current financial quarter ended 31 December 2024, representing an increase of RM12.30 million or 142.10% as compared to RM8.66 million in the previous year's corresponding financial quarter. The increase in revenue was mainly due to existing customers upgrades their current production system and revenue from the sub-contract for supply and installation of M&E engineering works in the current financial quarter.

The Group's revenue was derived from the design, engineering, installation and commissioning of glove chlorination system and supply and installation of M&E engineering works. The local and overseas markets contributed 93.82% and 6.18%, respectively, to the Group's revenue in the current financial quarter.

The Group recorded loss before tax of RM0.30 million for the current financial quarter ended 31 December 2024, representing a decrease of approximately RM1.50 million or 124.81% as compared to RM1.21 million in the previous year's corresponding financial quarter. The decrease in profit before tax was due to lower gross profit on certain projects, provision for allowance of expected credit losses on trade receivables of RM0.39 million and loss on acquisition of subsidiary's assets of RM0.42 million incurred in the current financial quarter.

(b) Results for financial year-to date

The Group recorded revenue of RM52.69 million for the current financial year ended 31 December 2024, representing an increase of RM14.42 million or 37.70% as compared to RM38.26 million recorded in the previous year's corresponding year. The increase in revenue was mainly due to the revenue from M&E engineering's work recorded in the current financial year.

The Group recorded profit after tax of RM1.34 million for the current financial year ended 31 December 2024, representing an increase of approximately RM0.96 million or 254.38% as compared to RM0.38 million in the previous year's corresponding year. The increase in profit after tax was mainly due to the reversal of deferred tax assets arising from the recognition of contract liabilities in the consolidated statements of profit or loss in the previous year's corresponding year.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER RESULTS**

	Individual Quarter		Change	
	3 months ended			
	Unaudited	Unaudited	RM'000	%
	31/12/2024	30/09/2024		
	RM'000	RM'000		
Revenue	20,954	19,229	1,725	8.97
(Loss)/Profit before tax	(299)	641	(940)	(146.65)
(Loss)/Profit after tax	(543)	820	(1,363)	(166.22)
(Loss)/Profit attributable to: -				
Owners of the Company	(515)	854	(1,369)	(160.30)

The Group's revenue for the current financial quarter ended 31 December 2024 increase by approximately RM1.73 million or 8.97% to RM20.95 million as compared to RM19.23 million in the preceding financial quarter ended 30 September 2024. The increase in revenue was mainly due to system and equipment upgrades for the replacement parts, storage and process tanks from existing customers in the current financial quarter.

The Group recorded loss before tax of RM0.30 million for the current financial quarter ended 31 December 2024, representing a decrease of approximately RM0.94 million or 146.65% as compared to RM0.64 million in the preceding financial quarter ended 30 September 2024. The decrease in profit before tax was due to provision for allowance of expected credit losses on trade receivables of RM0.39 million and loss on acquisition of subsidiary's assets of RM0.42 million incurred in the current financial quarter.

B3. PROSPECT AND OUTLOOK

The Office of the United States Trade Representative (USTR)'s recent announcement of increase import tariffs on China-made medical and surgical gloves to 50% effective from January 2025, and up to 100% by January 2026. With the import tariffs increase on China, our local customers are preparing to upgrades the current system and equipment to meet the returning glove demand.

The Group was recently awarded a sub-contract for the supply and installation of M&E works for the water treatment plant and water intake at Loji Rawatan Air Chupak, Jajahan Gua Musang, Kelantan. This sub-contract has started to contribute to the Group's earnings.

The Group also plans to provide sterilisation services using gamma radiation through Gammatech Sdn Bhd, its 51%-owned subsidiary. The project is currently in the planning stages, and an announcement will be made on Bursa Securities as and when updates are available.

The provision of sterilisation services is intended not only for our existing customers in the glove industry but also for sectors such as pharmaceuticals, food processing, and packaging. The Group aims to leverage its existing customer base to expand the gamma radiation sterilisation services into the industries it currently serves.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**B4. VARIANCE FROM PROFIT FORECAST**

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

B5. TAX EXPENSE

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2024 RM'000	Audited 31/12/2023 RM'000
Income tax	67	-	250	14
Deferred tax	177	(78)	(177)	1,574
	<u>244</u>	<u>(78)</u>	<u>73</u>	<u>1,588</u>
Effective tax rate	(81.61%) ⁽¹⁾	(6.47%)	5.18% ⁽²⁾	80.81%

Notes:

- (1) The Group's effective tax rate is higher than statutory tax rate i.e. 24% for the current financial quarter ended 31 December 2024, mainly due to the reversal of deferred tax assets arising from the recognition of contract liabilities in the consolidated statements of profit or loss for the current financial quarter.
- (2) The Group's effective tax rate is lower than statutory tax rate i.e. 24% for the current financial year ended 31 December 2024, mainly due to recognition of deferred tax assets arising from downpayment received from customers and utilisation of unabsorbed tax loss brought forward from prior financial year.
- (3) Tax expense is recognised based on management's best estimate.

B6. STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed as at the date of this report.

B7. UTILISATION OF PROCEEDS

The status of utilisation of the gross proceeds raised from the Private Placement is as follows:

Proposed Utilisation of Proceeds	Proposed Utilisation (1) RM'000	Actual Proceeds (2) RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended Timeframe for Utilisation
Working capital	2,667	2,092	(2,092)	-	Within 6 months
Future business expansion	2,500	-	-	-	Within 18 months
Estimated expenses for the Private Placement	100	83	(83)	-	Within 1 month
Total	5,267	2,175	(2,175)	-	

Notes:

- (1) The utilisation of proceeds as disclosed above should be read in conjunction with the Announcement for the Private Placement dated 2 January 2024.
- (2) As at the date of this report, the Group had issued a total of 15,000,000 Placement Shares at RM0.145 per Placement Share, raising total proceeds of RM2.175 million.
- (3) The Private Placement had lapsed on 31 July 2024 and was deemed completed on even date.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**B8. BORROWINGS**

	Unaudited As At 31/12/2024		Audited As At 31/12/2023	
	Foreign denomination '000	RM '000	Foreign denomination '000	RM '000
Current:				
Secured				
Bank borrowings		2,663		731
Lease liabilities		269		389
Lease liabilities	THB 44	6	THB 174	23
		<u>2,938</u>		<u>1,143</u>
Non-current:				
Secured				
Bank borrowings		12,372		6,466
Lease liabilities		415		635
Lease liabilities	THB	-	THB 44	6
		<u>12,787</u>		<u>7,107</u>
Total borrowings		<u>15,725</u>		<u>8,250</u>
Exchange Rate RM to THB100		13.0662		13.4309

B9. MATERIAL LITIGATION

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

B10. PROPOSED DIVIDEND

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

B11. (LOSS)/EARNINGS PER SHARE**(a) Basic (loss)/earnings per share**

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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2024	Unaudited 31/12/2023	Unaudited 31/12/2024	Audited 31/12/2023
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(515)	1,396	1,538	909
Weighted average number of ordinary shares in issue ('000)	299,680	284,680	296,975	284,680
Basic (loss)/earnings per share (sen)	<u>(0.17)</u>	<u>0.49</u>	<u>0.52</u>	<u>0.32</u>

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**B11. (LOSS)/EARNINGS PER SHARE (cont'd)****(b) Diluted (loss)/earnings per share**

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(515)	1,396	1,538	909
Weighted average number of ordinary shares in issue ('000)	299,680	284,680	296,975	284,680
Effect of dilutive potential ordinary share - ESOS ('000)	_(2)	_(2)	_(2)	_(2)
Weighted average number of ordinary shares for diluted earnings per share ('000)	299,680	284,680	296,975	284,680
Diluted (loss)/earnings per share (sen) ⁽¹⁾	(0.17)	0.49	0.52	0.32

Notes:

- (1) The diluted (loss)/earnings per share of the Company has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible Directors and employees on the assumption that the full exercise of the share options on the share options grant date.
- (2) Diluted (loss)/earnings per share of the Company for the individual and cumulative quarter 31 December 2024 was equivalent to the basic earnings per share as the share option had an anti-dilutive effect of the basic (loss)/earnings per share and the Company has no other dilutive potential ordinary shares in issue at the end of the reporting period.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2024**B12. (LOSS)/PROFIT BEFORE TAX**

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Unaudited 31/12/2024 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2024 RM'000	Audited 31/12/2023 RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting): -				
Allowance for expected credit losses on trade receivables	368	-	368	-
Bad debts written off	21	-	21	7
Depreciation of property, plant and equipment	219	318	1,019	1,305
Depreciation of investment properties	37	37	148	111
Interest expenses	100	69	358	240
Property, plant and equipment written off	11	31	28	43
Right-of-use assets written off	-	28	-	28
Realised loss/(gain) on foreign exchange	7	(61)	(7)	262
Gain on disposal of property, plant and equipment	-	(108)	(138)	(167)
Unrealised (gain)/loss on foreign exchange	(572)	169	183	(60)
Interest income	(9)	(11)	(38)	(94)
Share based payment expenses	27	60	127	284
Loss on acquisition of subsidiary's assets	418	-	418	-