



K-One Technology Berhad

[Registration No. 200101004001 (539757-K)]

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025**

**Condensed Consolidated Statements of Comprehensive Income
For The Third Quarter Ended 30 September 2025**

Figures in RM'000	3 months ended		YTD 9 months ended	
	30.9.2025 Unaudited	30.9.2024 Unaudited	30.9.2025 Unaudited	30.9.2024 Unaudited
Operating revenue	56,607	58,023	179,621	147,668
Cost of sales	(48,947)	(50,440)	(153,651)	(126,432)
Gross profit	7,660	7,583	25,970	21,236
Other income	635	341	1,565	3,295
Interest income	308	227	707	622
Operating expense	(8,512)	(8,863)	(26,193)	(22,347)
Profit/(Loss) before tax	91	(712)	2,049	2,806
Income tax expense	(417)	(576)	(1,071)	(1,330)
(Loss)/Profit for the period	(326)	(1,288)	978	1,476
Non-controlling interests	(168)	(751)	(482)	(684)
(Loss)/Profit after tax after Non-controlling interests	(494)	(2,039)	496	792

(Loss)/Profit attributable to:

Owners of the parent	(494)	(2,039)	496	792
Non-controlling interests	168	751	482	684
	(326)	(1,288)	978	1,476

(Loss)/Earnings per share
(LPS)/EPS attributable to
owners of the parent (sen):

Basic (LPS)/EPS	(0.06)	(0.25)	0.06	0.10
Diluted (LPS)/EPS	(0.06)	(0.25)	0.06	0.10

**Condensed Consolidated Statements of Comprehensive Income
For The Third Quarter Ended 30 September 2025 (Cont'd)**

Figures in RM'000	3 months ended		YTD 9 months ended	
	30.9.2025 Unaudited	30.9.2024 Unaudited	30.9.2025 Unaudited	30.9.2024 Unaudited
(Loss)/Profit for the period	(326)	(1,288)	978	1,476
Items that may be subsequently reclassified to profit:				
Foreign currency translation	(137)	(967)	(363)	(867)
Total comprehensive (loss)/ income	(463)	(2,255)	615	609

Total comprehensive (loss)/income attributable to:

Owners of the parent	(593)	(2,690)	288	241
Non-controlling interests	130	435	327	368
	(463)	(2,255)	615	609

The above condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Financial Position
As At 30 September 2025

Figures in RM'000	Unaudited 30.9.2025	Audited 31.12.2024
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	19,309	17,837
Intangible assets	3,727	3,692
Goodwill on consolidation	22,676	22,676
Investment property	4,368	4,440
Deferred tax assets	4,848	4,853
Total Non-Current Assets	54,928	53,498
<u>Current Assets</u>		
Inventories	32,666	24,044
Trade receivables	36,478	40,352
Other receivables	9,770	10,169
Contract assets	6,865	6,566
Tax recoverable	550	706
Short-term cash investment	3,736	5,666
Cash and bank balances	56,660	47,999
Total Current Assets	146,725	135,502
TOTAL ASSETS	201,653	189,000

EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	123,644	123,644
Reserves	(523)	(315)
Non-controlling interests	2,001	1,674
Accumulated losses	(7,941)	(8,437)
Total Equity	117,181	116,566

Condensed Consolidated Statements of Financial Position
As At 30 September 2025 (Cont'd)

Figures in RM'000	Unaudited 30.9.2025	Audited 31.12.2024
EQUITY AND LIABILITIES (Cont'd)		
<i><u>Non-Current Liabilities</u></i>		
Deferred income	389	668
Lease liabilities	41	221
Total Non-Current Liabilities	430	889
<i><u>Current Liabilities</u></i>		
Trade payables	51,008	42,088
Other payables and accruals	12,741	8,051
Contract liabilities	19,126	19,198
Current tax liabilities	558	1,611
Deferred income	371	371
Lease liabilities	238	226
Total Current Liabilities	84,042	71,545
Total Liabilities	84,472	72,434
TOTAL EQUITY AND LIABILITIES	201,653	189,000
Net assets per share attributable to owners of the parent (sen)	14.08	14.01

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Changes in Equity
For The Third Quarter Ended 30 September 2025**

	Attributable to Owners of the Parent					Non-controlling Interests	Total Equity
	Non-distributable			Distributable			
	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Retained Earnings	Sub-Total		
Figures in RM'000							
At 1 January 2025	123,644	(315)	-	(8,437)	114,892	1,674	116,566
Comprehensive Income							
Profit for the period	-	-	-	496	496	482	978
Other comprehensive loss							
Foreign currency translation difference	-	(208)	-	-	(208)	(155)	(363)
Total comprehensive (loss)/income	-	(208)	-	496	288	327	615
At 30 September 2025	123,644	(523)	-	(7,941)	115,180	2,001	117,181

**Condensed Consolidated Statements of Changes in Equity
For The Third Quarter Ended 30 September 2025 (Cont'd)**

	<-----Attributable to Owners of the Parent----->					Non-controlling Interests	Total Equity
	<-----Non-distributable----->		-----Distributable-----				
	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Retained Earnings	Sub-Total		
Figures in RM'000							
At 1 January 2024	123,644	(2)	-	(8,640)	115,002	1,454	116,456
Comprehensive income							
Profit for the period	-	-	-	792	792	684	1,476
Other comprehensive loss							
Foreign currency translation difference	-	(551)	-	-	(551)	(316)	(867)
Total comprehensive (loss)/income	-	(551)	-	792	241	368	609
At 30 September 2024	123,644	(553)	-	(7,848)	115,243	1,822	117,065

The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Cash Flows
For The Third Quarter Ended 30 September 2025**

Figures in RM'000	9 months ended	
	30.9.2025	30.9.2024
CASH FLOW FROM OPERATING ACTIVITIES		
<i>Profit before taxation</i>	2,049	2,806
Adjustments for:		
Net reversal impairment loss on trade receivables	(23)	-
Amortisation of computer software	16	12
Depreciation of property, plant and equipment	2,505	2,228
Depreciation of investment property	72	72
Fair value gain on short-term cash investment	(86)	(26)
Amortisation of government grant income	(279)	-
Interest expense on lease liabilities	18	29
Interest income	(707)	(622)
Foreign exchange loss – unrealised	960	505
Operating profit before working capital changes	4,525	5,004
Changes in working capital:		
Inventories	(8,622)	7,865
Receivables	3,014	(16,784)
Payables	13,538	13,042
Net cash generated from operations	12,455	9,127
Tax paid	(1,471)	(1,307)
Interest received	707	622
Net cash generated from operating activities	11,691	8,442
CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of short-term cash investment	2,016	3,274
Withdrawal/(Placement) of deposits with licensed bank	3,898	(3,070)
Capitalisation of intangible assets	-	(379)
Purchase of property, plant and equipment	(3,977)	(1,196)
Purchase of intangible asset	(51)	-
Net cash generated from/(used in) investing activities	1,886	(1,371)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid on lease liabilities	(18)	(29)
Payment of lease liabilities	(168)	(186)
Net cash used in financing activities	(186)	(215)

Condensed Consolidated Statements of Cash Flows
For The Third Quarter Ended 30 September 2025
(Cont'd)

Figure in RM'000	9 months ended	
	30.9.2025	30.9.2024
Net increase in cash and cash equivalents	13,391	6,856
Effect of exchange rate changes	(832)	(546)
Cash and cash equivalents at beginning of the financial year	25,336	17,927
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD	37,895	24,237

COMPOSITION OF CASH AND CASH EQUIVALENTS

Figure in RM'000	9 months ended	
	30.9.2025	30.9.2024
Cash and bank balances	37,895	24,237
Deposit placed with licensed banks	18,765	25,044
	56,660	49,281
Less: Non short-term fixed deposits	(18,765)	(25,044)
	37,895	24,237

The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

Part A: Explanatory Notes Pursuant to Financial Reporting Standard 134 (“FRS 134”) - Interim Financial Reporting

1. BASIS OF PREPARATION

The interim financial statements are unaudited and has been prepared in accordance with MFRS 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) for the ACE Market and should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 December 2024.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024, except for the following Malaysian Financial Reporting Standards (MFRSs) and IC Interpretations (IC Int):

New/Amendments to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 107	Statement of Cash Flows
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 128	Investments in Associates and Joint Ventures

The adoption of the above applicable new MFRSs and amendments is not expected to have a material impact on the financial statements of the Group upon initial application.

2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENT

The audited financial statements of the preceding financial year were not subjected to any qualification.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The K-One Group’s Electronics Manufacturing Services (EMS) business is predominantly export-oriented (92.2% export in 3Q’25; 96.4% export in 3Q’24) and is subject to seasonal fluctuations. Business in the second half of the year is normally stronger than the first half due to surge in demand attributed mainly to the consumer electronics market in conjunction with Christmas and New Year seasons overseas.

Revenue contribution from the Cloud Computing (Cloud) business is mainly derived from Malaysia with growing contributions from Singapore, Indonesia and Vietnam. Cloud revenue is not subject to any obvious seasonality.

4. UNUSUAL ITEM DUE TO THEIR NATURE, SIZE OR INCIDENCE

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows to the effect that is unusual in nature, size or incidence.

5. MATERIAL ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the financial year-to-date results.

6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the financial period.

7. DIVIDENDS PAID

No dividend was paid during the quarter under review.

8. Notes to Consolidated Statement of Comprehensive Income

Figures in RM'000	3 months ended		YTD 9 months ended	
	30.9.2025	30.9.2024	30.9.2025	30.9.2024
Amortisation of computer software	(6)	(4)	(16)	(12)
Depreciation of:				
- property, plant and equipment	(840)	(623)	(2,505)	(2,228)
- investment property	(24)	(24)	(72)	(72)
Net reversal impairment loss on trade receivables	-	-	23	-
Foreign exchange (loss)/gain				
- realised	(98)	(957)	296	(1,165)
- unrealised	62	(839)	(960)	(505)
Fair value gain on short-term cash investment	52	6	86	26
Amortisation of government grant income	93	-	279	-
Interest income	308	227	707	622
Interest expense on lease liabilities	(5)	(9)	(18)	(29)

9. SEGMENT INFORMATION

Segment information is provided based on contribution by activities, sales contribution by geography and sales by major customers. Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the segments are presented under unallocated expenses, assets and liabilities respectively.

(a) Contribution by Activities

	Research, D&D and Sales	Manu- facturing	Cloud	Invest- ment Holding	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Sales					
External sales	228	20,779	35,600	-	56,607
Internal sales	-	-	-	-	-
Total operating sales	228	20,779	35,600	-	56,607
Others and interest income	59	394	406	84	943
Total sales and other income	287	21,173	36,006	84	57,550
Results					
Segment results	(42)	(1,679)	1,814	(2)	91
Finance costs	-	-	-	-	-
Income tax expense	(11)	17	(423)	-	(417)
(Loss)/profit after tax before non-controlling interests	(53)	(1,662)	1,391	(2)	(326)
Non-controlling interests	-	-	(168)	-	(168)
(Loss)/profit after tax after non-controlling interests	(53)	(1,662)	1,223	(2)	(494)
Other information					
Segment assets	44,218	89,135	59,149	3,738	196,240
Unallocated assets					5,413
Total assets					201,653
Segment liabilities	3,414	39,451	41,085	8	83,958
Unallocated liabilities					514
Total liabilities					84,472

9. SEGMENT INFORMATION (Cont'd)

(b) Sales Contribution by Geography for the EMS and Cloud Businesses

The geographical sales breakdown is as follows:

	9 months ended 30.9.2025		
	EMS RM'000	Cloud RM'000	Total RM'000
Malaysia	3,763	69,282	73,045
Asia (excluding Malaysia)	20,716	35,930	56,646
Europe	37,372	296	37,668
US	8,035	31	8,066
Oceania	2,553	229	2,782
Middle East	1,302	112	1,414
	73,741	105,880	179,621

	9 months ended 30.9.2024		
	EMS RM'000	Cloud RM'000	Total RM'000
Malaysia	1,535	46,449	47,984
Asia (excluding Malaysia)	17,727	34,490	52,217
Europe	33,467	38	33,505
US	10,536	-	10,536
Oceania	1,812	284	2,096
Middle East	837	493	1,330
	65,914	81,754	147,668

Note: 1) The EMS business is 94.9% (9 mths'24: 97.7%) derived from the export markets with the balance of 5.1% (9 mths'24: 2.3%) from the local (Malaysian) market.

2) The Cloud business is 34.6% (9 mths'24: 43.2%) derived from the overseas markets with the balance of 65.4% (9 mths'24: 56.8%) derived from the local (Malaysian) market.

(c) Sales to Major Customers

For the 9 months ended 30 September 2025, three (3) major international customers contributed more than 10% of the Group's revenue.

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment during the financial quarter under review.

11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial quarter ended 30 September 2025.

12. CONTINGENT ASSETS & LIABILITIES

As at the end of the quarter under review, the corporate guarantee for credit facilities granted to a subsidiary but not utilised as the Group has cash surplus was:-

	RM'000
K-One Industry Sdn Bhd	<u>20,576</u>

13. CAPITAL COMMITMENTS

There were no material capital commitments for the period under review.

14. SUBSEQUENT EVENT

There are no subsequent events which have a material impact on the financial statements under review.

15. PERFORMANCE REVIEW

(a) Current quarter compared to the corresponding quarter of last year (3Q'25 vs 3Q'24)

For the third quarter ended 30 September 2025, the Group recorded sales revenue of RM56.6 million, a marginal decrease of 2% compared to RM58.0 million in the corresponding quarter last year. On the overall, the K-One Group's diversified revenue base, coupled with ongoing efforts to strengthen customer engagement and operational efficiency continues to provide resilience amid volatile market dynamics.

EMS Sales

EMS sales delivered a commendable performance, increasing by 10% to RM21.0 million from RM19.1 million in the corresponding quarter last year driven by higher orders of floorcare products and new project commencements of medical/healthcare devices and industrial equipment. However, the slower demand of electronic headlamps curtailed further sales growth. It is apparent that EMS sales is standing firm against the US tariff headwind. It is continuing to broaden its EMS customer base, expanding its product portfolio and enhancing its manufacturing capabilities to capture future growth opportunities.

Cloud Sales

Cloud sales clocked-in at RM35.6 million in the current quarter, representing a decline of 8% from RM38.9 million in the corresponding quarter last year, due to the lack of one-off hardware sales reflected in the corresponding quarter last year. Nonetheless, the Cloud business continued to provide stable and recurring business contributions, underpinned by new customer acquisitions and existing contract renewals.

Earnings

The K-One Group recorded a net loss of RM0.5 million for the current quarter as compared to a larger loss of RM2.0 million in the corresponding quarter last year, reflecting improved cost control and sturdy contribution from the Cloud business, which helped offset the weaker EMS earnings performance.

The EMS business posted a narrower loss of RM1.7 million in 3Q'25, compared to a loss of RM3.3 million in the corresponding quarter last year, mainly attributed to a significant reduction in foreign exchange loss following the appreciation of the Ringgit against the US Dollar (3Q'25: RM36 thousand; 3Q'24: RM1.8 million). In addition, margin increased from 8% in 3Q'24 to 10% in 3Q'25, reflecting ongoing efforts in cost optimization and an improved product mix driven by higher orders of floorcare products and tooling projects. The K-One Group continues to emphasize operational excellence, disciplined cost management and product innovation to reinforce the EMS business's medium-term growth trajectory.

15. PERFORMANCE REVIEW (Cont'd)

(a) Current quarter compared to the corresponding quarter of last year (Cont'd) (3Q'25 vs 3Q'24)

The Cloud business reported a marginally lower net profit of RM1.2 million in 3Q'25 as compared to RM1.3 million in the corresponding quarter last year due mainly to the slight sales moderation over the quarter. The Cloud business remains strategically positioned to capitalize on digital transformation trends and expanding enterprise demand for hybrid and managed cloud solutions.

(b) Current quarter versus the preceding quarter (3Q'25 vs 2Q'25)

The K-One Group registered sales revenue of RM56.6 million as compared to RM64.6 million in the preceding quarter, denoting a 12% decrease attributed mainly to sales decline in the EMS business, while the Cloud business maintained stable performance supported by ongoing projects, contract renewals and new customer wins.

EMS Sales

EMS sales declined by 21% to RM21.0 million in 3Q'25 as compared to RM26.5 million in the preceding quarter caused by suppliers' delivery delays of specific parts which hampered the completion of finished products for delivery to the K-One Group's consumer electronics and floorcare customers. It has since been resolved and delivery of the specific parts is expected to normalize in 4Q'25. Furthermore, medical/healthcare products and industrial equipment were experiencing cautious demand on the face of a volatile global economy.

Cloud Sales

Cloud sales in the current quarter softened slightly to RM35.6 million from RM38.1 million in 2Q'25, primarily attributable to a moderation in development works billing. With recent new project wins secured in the pipeline and new customer expansions across Malaysia and regional subsidiaries, sales climb is expected to resume and sustain in the horizon.

15. PERFORMANCE REVIEW (Cont'd)

(b) Current quarter versus the preceding quarter (Cont'd) (3Q'25 vs 2Q'25)

Earnings

The K-One Group posted a net loss of RM0.5 million in 3Q'25 as compared to a net profit of RM0.3 million in the preceding quarter, where Cloud business's consistent profitability was weighted down by the EMS business's loss position.

The EMS business registered a loss of RM1.7 million as compared to a loss of RM0.8 million in the preceding quarter, primarily due to reduced sales, a less favourable product mix and margin compression (3Q'25: 10%; 2Q'25: 13%).

The Cloud business maintained a steady profit of RM1.2 million, a slight increase from RM1.1 million in the preceding quarter. Profitability was supported by recurring revenue streams from enterprise support and subscription services, complemented by improved efficiency in project execution and cost controls. The consistent performance affirms the Cloud business's strength and abundant market potential.

16. COMMENTARY ON PROSPECTS AND TARGETS

For the nine months ended 30 September 2025, the K-One Group recorded total sales revenue of RM179.6 million, representing a 21% increase from RM147.7 million in the corresponding period last year. The commendable sales growth was driven by stronger performances across both the EMS and Cloud businesses, attributed to teamwork in successfully executing business plans on the backdrop of a competitive and volatile business environment.

The EMS business achieved sales of RM73.7 million, rising 12% year-on-year from RM65.9 million in the corresponding period last year. The improvement was mainly attributed to higher orders from the existing consumer electronics and floorcare segment customers, aided by product upgrades that contributed to volume recovery and new project launches from new customers in the medical/healthcare, data center and industrial sectors.

The Cloud business recorded sales of RM105.9 million, a 29% increase as compared to RM81.8 million in the corresponding period last year. It is a touch away from the full year sales of last year (2024) of RM115.6 million. The stellar growth was driven by a healthy pipeline of enterprise and public sector projects, underpinned by rising demand for managed services, cybersecurity solutions, Gen AI applications and scalable cloud infrastructure.

16. COMMENTARY ON PROSPECTS AND TARGETS (Cont'd)

As the K-One Group approaches the final quarter of 2025, it remains focused on strengthening its business fundamentals and executing its strategic priorities. Continued emphasis will be placed on operational efficiency, cost management and selective investment in technology to enhance competitiveness. While the external environment is expected to be challenging due to persistent global uncertainties catalysed by the US tariff war, the K-One Group is cautiously optimistic that its ongoing initiatives in new customer acquisition, product innovation and management productivity will generate long-term growth. This positive outlook is underscored in the ensuing business prospects sections.

EMS Business

1) The EMS business is expected to maintain steady momentum moving forward, supported by stable orders from existing customers in the medical/healthcare, industrial and consumer electronics industries. Proactive engagement with potential new customers, particularly in the medical/healthcare and industrial segments in the US under the “China + 1” or “China + 2” diversification trend has also gained traction, with several prospects progressing toward qualification stages that could contribute impending orders.

2) It is finding new business opportunities with foreign multinationals having multiple manufacturing sites, in particular those having footprints in China and Malaysia. These foreign multinationals based in Malaysia are experiencing increased workload with business transfer from their counterpart in China as Malaysia enjoys a lower US tariff rate than China. Consequently, the surplus business is cascaded down and the K-One Group is working on many of such business opportunities.

3) It has secured a handful of new customers whose products are set to move into mass production towards year end or early next year. Meanwhile, it has enlarged its business development team to further expand its customer base to spur future growth.

Cloud Business

1) The K-One Group’s Cloud business via its wholly-owned subsidiary, G-AsiaPacific achieved the AWS Premier Tier Partner status in October’25, the highest accreditation level under the AWS Partner Network. G-AsiaPacific is the only AWS Premier Tier Partner with MSP competency in Malaysia, a hard-earned accolade which will definitely help to retain and most importantly, win more customers in the days ahead. This achievement underscores the Group’s proven capabilities in delivering end-to-end cloud transformation, migration and managed service solutions for enterprise clients. It also reflects the Group’s consistent investment in technical expertise, customer success and compliance standards, cementing its position among the top-tier AWS partners in the region.

16. COMMENTARY ON PROSPECTS AND TARGETS (Cont'd)

Cloud Business (Cont'd)

2) The Cloud business in 3Q'25 extended its reach to sign up a major 5G telecommunication company as its customer. The said multi-year business contract shall ramify to include its associated Mobile Virtual Network Operators (MVNO) and also serve as good reference in bringing onboard other telco companies in the region which are anticipated to generate significant business. The telco sector is undergoing rapid digitalisation which requires scalable, secure and data-driven cloud infrastructure, areas where G-AsiaPacific's technical strengths and consultative approach provide a strong competitive advantage.

3) With Premier Tier Partner status earned from both AWS and Google respectively, broadened customer coverage and a clear expansion roadmap which includes foraying into Gen AI applications and cybersecurity solutions, the Cloud business is well-positioned to accelerate sturdy growth in the coming quarters. It has recently submitted to the appropriate government authority to consider it as an approved MSP provider. The Cloud business is set for its next phase of business expansion in 2026, which includes relocation to a larger office to accommodate the anticipated vigorous growth and strengthen delivery capabilities.

Healthcare Business

1) Its Diversey hygiene-care products are gradually but surely gaining traction in hospitals, elderly-care centres, hotels and the F&B sectors. The K-One Group is strengthening its market reach through both institutional channels and digital platforms. In addition to direct sales, Diversey products are now available on Shopee, providing greater accessibility to small businesses and individual consumers. This expanded presence enhances customer reach and brand visibility, aligning with the growing emphasis on hygiene consciousness.

2) Expanding its healthcare portfolio, K-One Wellness, a wholly -owned subsidiary of the K-One Group, will distribute UK based CIGA's fertility and general healthcare self-test kits in Malaysia. Subject to obtaining the requisite approvals from the Medical Device Authority (MDA), the products rollout is expected to capture opportunities in the fast-growing self-care diagnostics segment, supported by rising consumer awareness of preventive and home-based health monitoring solutions.

3) The K-One Group's collaboration with Mindray to distribute Automated External Defibrillators (AEDs) made its maiden sale in Sept'25 to the sports sector. Direct sales is picking up in various sectors, including manufacturing, public amenities and mall. Besides direct sales, it has also established an official website at <https://wellkaire.com/> to provide product information, training resources and after-sales support. With regulatory requirements likely to be gazetted next year for AED installations in public spaces, the K-One Group is well-placed to capitalise such impending new opportunities. Ongoing initiatives, including staff CPR certification and participation in healthcare exhibitions will further strengthen customer confidence, enhance brand visibility and solidify its foothold in the emergency response and wellness solutions markets.

16. COMMENTARY ON PROSPECTS AND TARGETS (Cont'd)

Supported by a healthy balance sheet and a strong cash position of RM60.4 million, the K-One Group is geared to accelerate organic expansion and explore strategic collaborations or corporate initiatives that align with its long-term growth ambitions. With improving business momentum across its EMS, Cloud and Healthcare businesses and an agile operating structure, it expects to close the year with business growth and anticipate to deliver stronger performance in the quarters ahead.

17. INTANGIBLE ASSETS

Figures in RM'000	Ventilator Development	Software Development	Total
Cost			
At 1 January 2025	3,659	337	3,996
Addition	-	51	51
	<u>3,659</u>	<u>388</u>	<u>4,047</u>
Accumulated amortisation			
At 1 January 2025	-	304	304
Amortisation charged	-	16	16
	<u>-</u>	<u>320</u>	<u>320</u>
Net carrying value At 30 September 2025	<u>3,659</u>	<u>68</u>	<u>3,727</u>
Figures in RM'000	Ventilator Development	Software Development	Total
Cost			
At 1 January 2024	2,019	337	2,356
Addition	388	-	388
	<u>2,407</u>	<u>337</u>	<u>2,744</u>
Accumulated amortisation			
At 1 January 2024	-	288	288
Amortisation charged	-	12	12
	<u>-</u>	<u>300</u>	<u>300</u>
Net carrying value At 30 September 2024	<u>2,407</u>	<u>37</u>	<u>2,444</u>

18. INCOME TAX EXPENSE

	3 months ended		YTD 9 months ended	
	30.9.2025	30.9.2024	30.9.2025	30.9.2024
	RM'000	RM'000	RM'000	RM'000
Current corporate tax expense	417	576	1,071	1,006
Deferred tax income	-	-	-	324
Total Income Tax Expense	417	576	1,071	1,330

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period.

19. PURCHASES OR SALES OF UNQUOTED SECURITIES AND PROPERTIES

There were no purchases or disposal of unquoted securities and properties during the financial quarter.

20. QUOTED SECURITIES

There were no purchases or disposal of quoted securities during the financial quarter under review.

21. CORPORATE PROPOSALS

There are no corporate proposals announced but not completed as at the reporting date.

22. BORROWINGS AND DEBTS SECURITIES

The K-One Group has neither any secured nor unsecured borrowings as at 30 September 2025.

23. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

As at the end of the current quarter and up to the date of this report, there are no off-balance sheet financial instruments which have a material impact to the financial statements under review.

24. CHANGES IN MATERIAL LITIGATION

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

25. PROPOSED DIVIDEND

There is no dividend proposed in the current quarter and the previous corresponding quarter.

26. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share are based on the profit for the period attributable to equity holders of the Company and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Basic/Diluted earnings per share

	3 months ended		YTD 9 months ended	
	30.9.2025	30.9.2024	30.9.2025	30.9.2024
(Loss)/Profit attributable to equity holders of the parent (RM'000)	(494)	(2,039)	496	792
Weighted average number of ordinary shares in issue ('000)	832,007	832,007	832,007	832,007
Basic/Diluted (loss)/earnings per ordinary share (sen)	(0.06)	(0.25)	0.06	0.10

27. AUTHORIZED FOR ISSUE

The interim financial statements are authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 26 November 2025.

BY ORDER OF THE BOARD

LIM LI HEONG (MAICSA 7054716)
WONG MEE KIAT (MAICSA 7058813)
Company Secretaries

26 November 2025