

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-56421

ASIAFIN HOLDINGS CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

37-1950147

(IRS Employer
Identification Number)

**Suite 30.02, 30th Floor, Menara KH (Promet),
Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia**
(Address of principal executive offices, including zip code)

+(60)3 2148 7170

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding twelve months (or shorter period that the registrant was required to submit and post such files).

Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☐

Accelerated Filer ☐

Non-accelerated Filer ☒

Smaller reporting company ☒

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE
PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

N/A

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 11, 2026
Common Stock, \$0.0001 par value	81,915,838

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PART I — FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ASIAFIN HOLDINGS CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2026 (UNAUDITED) AND DECEMBER 31, 2025 (AUDITED)
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

	As of June 30, 2026	As of December 31, 2025
	Unaudited	Audited
ASSETS		
Current assets		
Cash and cash equivalents	\$ 880,457	\$ 1,748,051
Short-term investment	703,822	-
Account receivables, net (including \$158,120 and \$78,885 of account receivable from related parties as of June 30, 2026 and December 31, 2025, respectively)	1,380,334	1,105,953
Prepayment, deposits and other receivables	249,330	260,380
Contract assets	282,584	159,867
Amount due from related parties (including \$49,927 and \$42,672 of amount due from associate as of June 30, 2026 and December 31, 2025, respectively)	81,973	74,924
Tax assets	116,528	99,094
Total current assets	\$ 3,695,028	\$ 3,448,269
Non-current Assets		
Right-of-use assets, net	\$ 552,385	\$ 583,610
Property, plant and equipment, net	695,930	714,685
Investment in associates	8,108	8,250
Total non-current assets	\$ 1,256,423	\$ 1,306,545
TOTAL ASSETS	\$ 4,951,451	\$ 4,754,814
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current liabilities		
Accrued liabilities and other payables	\$ 404,209	\$ 502,712
Account payables (including \$64,169 and \$64,580 of account payable to related party as of June 30, 2026 and December 31, 2025, respectively)	152,992	155,051
Contract liabilities	912,305	734,475
Income tax payable	34,090	71,269
Amount due to director	51,878	70,687
Finance lease liability – current portion	16,217	15,972
Operating lease liability – current portion	70,131	60,689
Total current liabilities	\$ 1,641,822	\$ 1,610,855
Non-current liabilities		
Amount due to director – non-current portion	\$ -	\$ 18,491
Finance lease liability – non-current portion	19,794	28,169
Operating lease liability – non-current portion	482,254	522,921
Deferred tax liabilities	8,160	8,212
Total non-current liabilities	\$ 510,208	\$ 577,793
TOTAL LIABILITIES	\$ 2,152,030	\$ 2,188,648
SHAREHOLDERS' EQUITY		
Preferred shares, \$0.0001 par value; 200,000,000 shares authorized; None issued and outstanding	\$ -	\$ -
Common stock, \$0.0001 par value; 600,000,000 shares authorized; 81,915,838 and 81,915,838 shares issued and outstanding as of June 30, 2026 and December 31, 2025	8,192	8,192
Additional paid-in capital	10,795,250	10,795,250
Accumulated other comprehensive loss	(81,007)	(58,383)
Accumulated deficit	(7,846,726)	(8,124,933)
Non-controlling interest	(76,288)	(53,960)
TOTAL SHAREHOLDERS' EQUITY	\$ 2,799,421	\$ 2,566,166
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 4,951,451	\$ 4,754,814

See accompanying notes to unaudited condensed consolidated financial statements.

ASIAFIN HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
REVENUE	\$ 1,516,382	\$ 1,007,296	\$ 2,791,904	\$ 1,628,475
COST OF REVENUE (including \$0 and \$4,169 of cost of service revenue to related party for the three months ended June 30, 2026 and 2025, respectively; including \$0 and \$50,198 of cost of service revenue to related party for the six months ended June 30, 2026 and 2025, respectively)	(756,170)	(695,376)	(1,690,926)	(1,323,468)
GROSS PROFIT	\$ 760,212	\$ 311,920	\$ 1,100,978	\$ 305,007
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (including \$26,574 and \$27,279 of selling, general and administrative expenses to related party for the three months ended June 30, 2026 and 2025, respectively; including \$54,312 and \$52,401 of selling, general and administrative expenses to related party for the six months ended June 30, 2026 and 2025, respectively)	(340,536)	(523,056)	(850,158)	(1,008,886)
INCOME/(LOSS) FROM OPERATIONS	\$ 419,676	\$ (211,136)	\$ 250,820	\$ (703,879)
OTHER INCOME (including \$187 and \$0 of interest income from related party for the three months ended June 30, 2026 and 2025, respectively; including \$373 and \$0 of interest income from related party for the six months ended June 30, 2026 and 2025, respectively)	2,049	3,531	6,609	7,354
FINANCE COST (including \$257 and \$500 of interest income from related party for the three months ended June 30, 2026 and 2025, respectively; including \$584 and \$1,041 of interest income from related party for the six months ended June 30, 2026 and 2025, respectively)	(670)	(500)	(1,458)	(1,041)
SHARE OF LOSS FROM OPERATION OF ASSOCIATE	(18)	(115)	(92)	(117)
INCOME/(LOSS) BEFORE INCOME TAX	\$ 421,037	\$ (208,220)	\$ 255,879	\$ (697,683)
INCOME TAX PROVISION	-	-	-	-
NET INCOME/(LOSS)	\$ 421,037	\$ (208,220)	\$ 255,879	\$ (697,683)
Net loss attributable to non-controlling interest	9,742	10,419	22,328	17,453
NET INCOME/(LOSS) ATTRIBUTED TO COMMON SHAREHOLDERS OF ASIAFIN HOLDINGS CORP.	\$ 430,779	\$ (197,801)	\$ 278,207	\$ (680,230)
Other comprehensive income:				
- Foreign currency translation (loss)/income	(30,869)	88,346	(22,624)	102,392
TOTAL COMPREHENSIVE INCOME/(LOSS)	\$ 399,910	\$ (109,455)	\$ 255,583	\$ (577,838)
NET INCOME/(LOSS) PER SHARE, BASIC AND DILUTED	<u>\$ 0.0053</u>	<u>\$ (0.0024)</u>	<u>\$ 0.0034</u>	<u>\$ (0.0083)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	<u>81,915,838</u>	<u>81,915,838</u>	<u>81,915,838</u>	<u>81,875,838</u>

See accompanying notes to unaudited condensed consolidated financial statements.

ASIAFIN HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Currency expressed in United States Dollars ("US\$"), except for number of shares or otherwise stated)

	COMMON STOCK		ADDITIONAL		SHARE	ACCUMULATED		NON-	TOTAL
	NUMBER OF	AMOUNT	PAID-IN	SUBSCRIPTIONS	RECEIVED IN	DEFICIT	OTHER	CONTROLLING	SHAREHOLDERS'
	SHARES		CAPITAL	ADVANCE			LOSS	INTEREST	EQUITY
Balance as of									
December 31, 2024	81,551,838	\$ 8,155	\$ 10,467,687	\$ 318,600	\$ (8,039,600)	\$ (271,870)	\$ (19,020)	\$	2,463,952
New issuance of shares on January 20, 2025	364,000	37	327,563	-	-	-	-	-	327,600
Share subscriptions received in advance	-	-	-	(318,600)	-	-	-	-	(318,600)
Net loss for the period	-	-	-	-	(482,429)	-	(7,034)	-	(489,463)
Foreign currency translation	-	-	-	-	-	14,044	-	-	14,044
Balance as of March 31, 2025	81,915,838	\$ 8,192	\$ 10,795,250	\$ -	\$ (8,522,029)	\$ (257,826)	\$ (26,054)	\$	1,997,533
Net loss for the period	-	-	-	-	(197,801)	-	(10,419)	-	(208,220)
Foreign currency translation	-	-	-	-	-	88,346	-	-	88,346
Balance as of June 30, 2025	81,915,838	\$ 8,192	10,795,250	-	(8,719,830)	(169,480)	(36,473)		1,877,659

	COMMON STOCK		ADDITIONAL		ACCUMULATED	OTHER	NON-	TOTAL
	NUMBER OF	AMOUNT	PAID-IN	ACCUMULATED	DEFICIT	COMPREHENSIVE	CONTROLLING	SHAREHOLDERS'
	SHARES		CAPITAL			LOSS	INTEREST	EQUITY
Balance as of December 31, 2025	81,915,838	\$ 8,192	\$ 10,795,250	\$ (8,124,933)	\$ (58,383)	\$ (53,960)	\$	2,566,166
Net loss for the period	-	-	-	(152,572)	-	(12,586)	-	(165,158)
Foreign currency translation	-	-	-	-	8,245	-	-	8,245
Balance as of March 31, 2026	81,915,838	\$ 8,192	\$ 10,795,250	\$ (8,277,505)	\$ (50,138)	\$ (66,546)	\$	2,409,253
Net income/(loss) for the period	-	-	-	430,779	-	(9,742)	-	421,037
Foreign currency translation	-	-	-	-	(30,869)	-	-	(30,869)
Balance as of June 30, 2026	81,915,838	\$ 8,192	\$ 10,795,250	\$ (7,846,726)	\$ (81,007)	\$ (76,288)	\$	2,799,421

See accompanying notes to unaudited condensed consolidated financial statements

ASIAFIN HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income/(loss)	\$ 255,879	\$ (697,683)
Adjustments to reconcile net profit to net cash used in operating activities:		
Depreciation and amortization	73,667	63,070
Share of loss from operation of associate	92	117
Disposal of asset	-	(11,429)
Provision for credit loss allowance	81,996	194,500
Changes in operating assets and liabilities:		
Account payables	(1,099)	75,637
Account receivables	(373,117)	219,414
Prepayment, deposits and other receivables	18,721	15,053
Contract assets	(126,953)	-
Accrued liabilities and other payables	(106,258)	(109,427)
Contract liabilities	187,256	103,668
Tax assets	(18,536)	(22,859)
Income tax payable	(37,703)	(58,373)
Change in lease liability	(34,246)	(28,393)
Net cash used in operating activities	\$ (80,301)	\$ (256,705)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(24,849)	(36,270)
Investment in time deposit	(722,131)	-
Disposal of property, plant and equipment	-	11,429
Net cash used in investing activities	\$ (746,980)	\$ (24,841)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common shares	-	9,000
Advance to director	(37,703)	(32,001)
Repayment of finance lease liabilities	(8,053)	-
Advances to related companies	(7,520)	(11,733)
Net cash used in financing activities	\$ (53,276)	\$ (34,734)
Effect of exchange rate changes on cash and cash equivalents	\$ 12,963	\$ 37,772
Net decrease in cash and cash equivalents	\$ (867,594)	\$ (278,508)
Cash and cash equivalents, beginning of period	1,748,051	1,309,929
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 880,457	\$ 1,031,421
SUPPLEMENTAL CASH FLOWS INFORMATION		
Cash paid for income taxes	\$ 56,239	\$ 24,055
Cash paid for interest paid	\$ 584	\$ 1,041
SUPPLEMENTAL NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Initial recognition of operating lease right-of-use assets and operating lease obligations upon adoption of ASC Topic 842	\$ 72,157	\$ 77,875
Initial recognition of the balance payment of finance lease right-of-use asset by finance lease liabilities	\$ -	\$ -

See accompanying notes to unaudited condensed consolidated financial statements.

ASIAFIN HOLDINGS CORP.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

1. ORGANIZATION AND BUSINESS BACKGROUND

AsiaFIN Holdings Corp. (“the Company”) was incorporated under the jurisdiction of Nevada on June 14, 2019. The Company, through its wholly owned subsidiaries, provides information technology services. Details of the Company’s subsidiaries and associate:

No.	Subsidiary Company Name	Domicile and Date of Incorporation	Particulars of Issued Capital	Principal Activities
1	AsiaFIN Holdings Corp.	Labuan on July 15, 2019	1 share of common stock	Investment holding company
2	AsiaFIN Holdings Limited	Hong Kong on July 5, 2019	1 share of common stock	Investment holding company
3	StarFIN Holdings Limited	British Virgin Islands on August 19, 2021	10,000 shares of common stock	Investment holding company
4	Insite MY Holdings Sdn Bhd (FKA StarFIN Asia Sdn Bhd)	Malaysia on May 24, 2018	11,400,102 shares of common stock	Investment holding company
5	OrangeFIN Academy Sdn Bhd (FKA Insite MY.Com Sdn Bhd)	Malaysia on February 2, 2000	100,000 shares of common stock	Provision of business system integration and management services
6	Insite MY Systems Sdn Bhd	Malaysia on January 18, 2000	500,000 shares of common stock	Provision of information technology services
7	Insite MY Innovations Sdn Bhd	Malaysia on January 18, 2010	540,000 shares of common stock	Provision of information technology services
8	OrangeFIN Asia Sdn Bhd	Malaysia on January 25, 2018	50,000 shares of common stock	Provision of computer programming activities and services
9	TellUS Report Sdn Bhd	Malaysia on September 22, 2023	60 shares of common stock	Provision of information technology services
No.	Associate Company Name	Domicile and Date of Incorporation	Particulars of Issued Capital	Principal Activities
1	Murni StarFIN Sdn Bhd	Malaysia on September 9, 2022	100,000 shares of common stock	Provision of information technology services
2	KSP AsiaFIN Co., Ltd. (FKA KSP StarFIN Co., Ltd.)	Thailand on August 11, 2023	50,000 shares of common stock	Provision of information technology services

Mr. Kai Cheong Wong is the common director of all of aforementioned companies except KSP AsiaFIN Co., Ltd.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

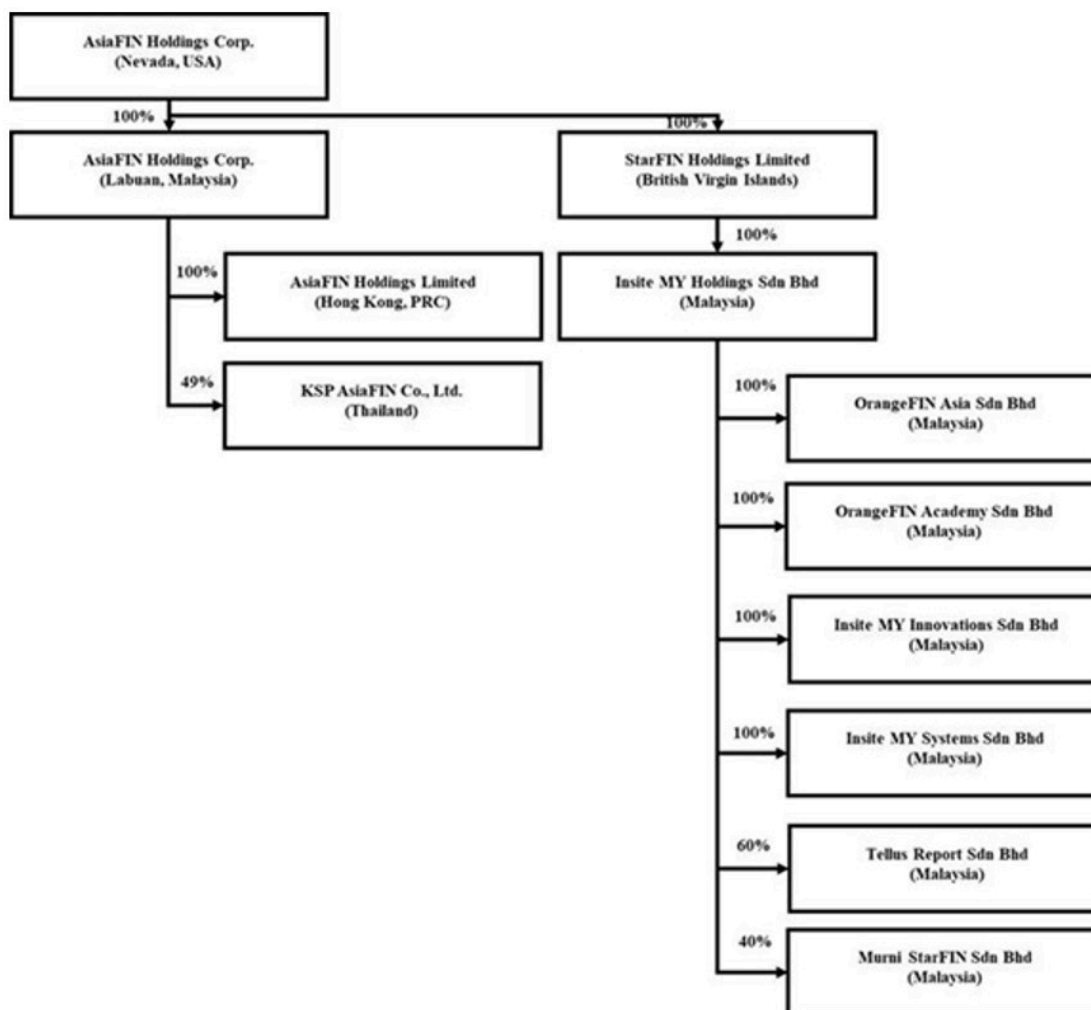
Basis of Presentation

These accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“US GAAP”).

The accompanying financial statements include the accounts of the Company and its subsidiaries and associates. Intercompany transactions and balances were eliminated in consolidation. The Company has adopted December 31 as its fiscal year end.

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries and majority-owned subsidiaries which the Company controls and entities for which the Company is the primary beneficiary. For those consolidated subsidiaries where the Company’s ownership is less than 100%, the outside shareholders’ interests are shown as non-controlling interests in equity. Acquired businesses are included in the consolidated financial statements from the date on which control is transferred to the Company. Subsidiaries are deconsolidated from the date that control ceases. All inter-company accounts and transactions have been eliminated in consolidation.

Below is the organization chart of the Group.



Use of Estimates

In preparing these financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the years reported. Actual results may differ from these estimates.

Cash and Cash Equivalents

The Company considers short-term, highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Our deposits in Malaysian banks are secured by Perbadanan Insurans Deposit Malaysia, compensating up to a limit of Malaysia Ringgit MYR250,000 per deposit per member bank, which is equivalent to \$61,244, if any of our banks fail.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, with depreciation and amortization provided using the straight-line method over the following periods:

Asset Categories	Depreciation Periods
Renovation	over the remaining lease period
Computer Systems	4 to 5 years
Furniture and Fittings	10 years
Electrical Fittings	10 years
Handphone	5 years
Office Equipment	10 years
Motor Vehicle	5 years
Property	50 years

Credit losses

The Company estimates and records a provision for its expected credit losses related to its financial instruments, including its trade receivables. Management considers historical collection rates, the current financial status of the Company's customers, macroeconomic factors, and other industry-specific factors when evaluating current expected credit losses. Forward-looking information is also considered in the evaluation of current expected credit losses. However, because of the short time to the expected receipt of accounts receivable, management believes that the carrying value, net of expected losses, approximates fair value and therefore, relies more on historical and current analysis of such financial instruments, including its trade receivables.

Credit loss rate is determined by historical collection based on aging schedule, adjusted for current conditions using reasonable and supportable forecasts. Based on the aging categorization and the adjusted loss rate per category, an allowance for credit losses is calculated by multiplying the adjusted loss rate with the amortized cost in the respective age category.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326), which introduces a practical expedient for measuring expected credit losses on trade receivables and contract assets. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim periods within fiscal years beginning after December 15, 2026. Early adoption is permitted. The Company already adopted this ASU on its consolidated financial statements and related disclosure. The Company has elected practical expedient under ASU 2025-05 for the quarter ended June 30, 2026 which permits assuming that current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when estimating expected credit losses. Accordingly, the Company's estimate of the allowance for expected credit losses on current accounts receivable is determined by applying an adjusted loss rate to the amortized cost of receivables within each respective aging category, based on historical data over a 25-month period.

Investment in associate

The Company accounts for its investment in associate in accordance with ASC Topic 323, "Investments – Equity Method and Joint Ventures", whereby equity investments of 20% or greater, but less than a controlling interest, are accounted for using the equity method. Under this method, the investment is initially recorded at cost and subsequently adjusted for the Company's proportionate share of the investee's net income or loss, which is recognized in the consolidated statements of operations and comprehensive income, with a corresponding adjustment to the carrying value of the investment. The Company evaluates its equity method investments for potential significant influence, if the Company became primary beneficiary, it could consolidate the investee and recognize a noncontrolling interest for the portion not owned.

Revenue recognition

The Company through subsidiaries generate multiple streams of revenues based on different business model adopted by each subsidiary through provisions of services and recognized upon customer obtained control of promised services and recognized in an amount that reflects the consideration that the Company expects to receive in exchange for those services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Company applies the following five-step model in order to determine this amount:

- (i) Identify contract with customer;
- (ii) Identify distinct performance obligations in contract, including promises if any;
- (iii) Measurement of the transaction price, including the constraint on variable consideration;
- (iv) Allocation of the transaction price to the performance obligations; and
- (v) Recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company adopted ASU 2014-09, Revenue from Contracts with Customers (Topic 606). Under Topic 606, the Company records revenue when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed or determinable and collectability is probable. The Company records revenue from the delivery of the finalized information technology services such as business system integration and management services, computer programming activities and services to the customers (see Note 3).

Cost of revenue

Cost of revenue includes direct costs associated with provision of services such as development costs, purchases of third-party software, maintenance fees and consultation fees.

Income tax expense

Income taxes are determined in accordance with the provisions of ASC Topic 740, "Income Taxes" ("ASC Topic 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company also adopted ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures", which requires disaggregated information about the reporting entity's effective tax rate reconciliation as well as information on income taxes paid.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclosed in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

The Company conducts major businesses in Malaysia and is subject to tax in their own jurisdictions. As a result of its business activities, the Company will file separate tax returns that are subject to examination by the foreign tax authorities.

Foreign currencies translation

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the statement of operations and comprehensive income (loss).

The functional currency of the Company is the United States Dollars (“US\$” or “US dollars”) and the accompanying financial statements have been expressed in US dollars. In addition, the Company’s subsidiary maintains its books and record in Malaysia Ringgit (“MYR”), United States Dollars (“US\$”), Hong Kong Dollars (“HK\$”) and Thailand Baht (“THB”), which is the respective functional currency as being the primary currency of the economic environment in which the entity operates.

In general, for consolidation purposes, assets and liabilities of its subsidiaries whose functional currency is not US dollars are translated into US dollars, in accordance with ASC Topic 830-30, “Translation of Financial Statement”, using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from translation of financial statements of foreign subsidiary are recorded as a separate component of accumulated other comprehensive income.

Translation of amounts from the local currency of the Company into US\$1 has been made at the following exchange rates for the respective periods:

	For the six months ended	
	June 30,	
	2026	2025
Period-end MYR : US\$1 exchange rate	4.08	4.21
Period-average MYR : US\$1 exchange rate	3.98	4.37
Period-end HK\$: US\$1 exchange rate	7.75	7.75
Period-average HK\$: US\$1 exchange rate	7.75	7.75
Period-end THB : US\$1 exchange rate	33.24	32.47
Period-average THB : US\$1 exchange rate	32.08	33.52

Related parties

Parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence.

Net Income/(Loss) per Share

The Company calculates net income/(loss) per share in accordance with ASC Topic 260, “Earnings per Share.” Basic income/(loss) per share is computed by dividing the net income/(loss) by the weighted-average number of common shares outstanding during the period. Diluted income per share is computed similar to basic income/(loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common stock equivalents had been issued and if the additional common shares were dilutive.

Lease

The Company leases offices for fixed periods with pre-emptive extension options. The Company recognizes lease payments for its short-term lease on a straight-line basis over the lease term.

Lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

In determining the present value of the unpaid lease payments, ASC 842 requires a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. As most of the Company leases do not provide an implicit rate, the Company uses its incremental borrowing rate as the discount rate for the lease. The Company's incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments.

Segment Reporting

The Company follows the guidance of ASC 280, "Segment Reporting", which establishes standards for reporting information about operating segments on a basis consistent with the Company's internal organization structure as well as information about services categories, business segments and major customers in financial statements. For the six months ended June 30, 2026, the Company has three reportable segments based on business unit, Payment Processing (Fintech), Regulatory Technology (RegTech) and Robotic Process Automation (RPA) businesses and two reportable segments based on country, Malaysia and Non-Malaysia. The Company also adopted ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures", which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses.

Recently Issued Accounting Standards

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires enhanced disclosures of certain income statement expenses. In January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted, either prospectively or retrospectively.

In December 2025, the FASB issued ASU 2025-11 "Interim Reporting (Topic 270): Narrow-Scope Improvements". This ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. This ASU is effective for interim reporting periods beginning after December 15, 2027. Early adoption is permitted.

In December 2025, the FASB issued ASU 2025-12 "Codification Improvements". This ASU represents changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods. Early adoption is permitted.

The Company reviews new accounting standards as issued. Management has not identified any other new standards that it believes will have a significant impact on the Company's financial statements.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue in accordance with ASC 606, “Revenue from Contracts with Customers”, by applying the five-step model to all contracts with customers: (i) identification of the contract, (ii) identification of performance obligations, (iii) determination of the transaction price, (iv) allocation of the transaction price to the performance obligations, and (v) recognition of revenue when, or as, the Company satisfies a performance obligation.

The Company’s revenue is derived from the provision of system solutions in Payment Processing (Fintech), Regulatory Technology (RegTech) and Robotic Process Automation (RPA). Each contract specifies the services to be delivered, the total consideration, and the applicable payment terms.

Performance obligations generally consist of the delivery of software solutions, implementation services, customization, and, when applicable, post-implementation support and maintenance. The Company evaluates whether such services are distinct and accounts for them as separate performance obligations if appropriate.

The transaction price is determined based on the consideration specified in the contract, which may include fixed and variable amounts. Variable consideration, if any, is estimated using either the expected value or the most likely amount method, depending on which better predicts the amount of consideration to which the Company will be entitled. The Company includes variable consideration in the transaction price only to the extent that it is probable that a significant reversal of revenue will not occur.

Revenue is recognized when control of the promised goods or services is transferred to the customer. For implementation and customization services, revenue is generally recognized over time as the services are performed, as the customer simultaneously receives and consumes the benefits. For software solutions, revenue is recognized at a point in time or over time, depending on the nature of the arrangement and the transfer of control. Revenue from support and maintenance services is typically recognized over time on a straight-line basis over the service period.

The Company’s payment terms vary by contract but generally require payment within a specified period following invoicing. In certain arrangements, the Company may receive advance payments, which are recorded as contract liabilities and recognized as revenue when the related performance obligations are satisfied.

Cost of revenue

Cost of revenue includes direct costs associated with provision of services such as development costs, purchases of third-party software, maintenance fees and consultation fees.

Disaggregation of revenue

The table below shows the revenue disaggregation by type of services for the three and six months ended June 30, 2026 and 2025:

	For the three months ended June 30, 2026 (Unaudited)	For the three months ended June 30, 2025 (Unaudited)	For the six months ended June 30, 2026 (Unaudited)	For the six months ended June 30, 2025 (Unaudited)
Revenue disaggregation by type of services				
Payment Processing (Fintech)	\$ 705,043	\$ 422,219	\$ 1,280,673	\$ 579,632
Regulatory Technology (RegTech)	612,637	356,079	1,183,042	758,680
Robotic Process Automation (RPA)	198,702	228,998	328,189	290,163
Total revenue	<u>\$ 1,516,382</u>	<u>\$ 1,007,296</u>	<u>\$ 2,791,904</u>	<u>\$ 1,628,475</u>

Contract assets

Contract assets represent the Company's right to consideration in exchange for services transferred to customers for which the Company has not yet billed the customer.

Contract liabilities

For a service contract where the performance obligation has not been completed, the contract liabilities are recorded for any payments received in advance from the customer before completion of the performance obligation.

As of June 30, 2026 and December 31, 2025, the Company's contract assets and contract liabilities are classified as current assets and current liabilities, respectively, as presented below:

	As of June 30, 2026 (Unaudited)	As of December 31, 2025 (Audited)
<u>Current assets</u>		
Contract assets	\$ 282,584	\$ 159,867
<u>Current liabilities</u>		
Contract liabilities	\$ 912,305	\$ 734,475

Changes in contract assets during the six months ended June 30, 2026 are as follows:

	For the six months ended June 30, 2026 (Unaudited)
Contract assets, January 1, 2026	\$ 159,867
New contract assets	468,625
Revenue recognized and billed	(341,671)
Exchange rate difference	(4,237)
Contract assets, June 30, 2026	<u>\$ 282,584</u>

Changes in contract liabilities during the six months ended June 30, 2026 are as follows:

	For the six months ended June 30, 2026 (Unaudited)
Contract liabilities, January 1, 2026	\$ 734,475
New contract liabilities	1,162,961
Performance obligations satisfied	(975,704)
Exchange rate difference	(9,427)
Contract liabilities, June 30, 2026	<u>\$ 912,305</u>

Remaining performance obligations

Remaining performance obligations represent the transaction price of firm orders for which a good or service has not been delivered to our customer. As of June 30, 2026, the aggregate amount of the transaction price allocated to remaining performance obligations was \$912,305. The Company expects to recognize revenue on \$786,298 of its remaining performance obligations within the next 12 months following June 30, 2026, and \$126,007 within the next 24 months following June 30, 2026.

4. ACCOUNT RECEIVABLES, NET

	As of June 30, 2026 (Unaudited)	As of December 31, 2025 (Audited)
Account receivables, gross	\$ 1,505,912	\$ 1,152,951
Allowance for expected credit loss	(125,578)	(46,998)
Account receivables, net	<u>\$ 1,380,334</u>	<u>\$ 1,105,953</u>

The movements in the Company's allowance for expected credit losses are as follows:

	ECL movement
As of January 1, 2025	\$ (29,427)
Charge for the year	75,263
Reversal during the year	-
Exchange rate difference	1,162
As of December 31, 2025	<u>46,998</u>
As of January 1, 2026	46,998
Charge for the period	80,930
Reversal during the period	(3,439)
Exchange rate difference	1,089
As of June 30, 2026	<u>\$ 125,578</u>

5. PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES

	As of June 30, 2026 (Unaudited)	As of December 31, 2025 (Audited)
Prepaid expenses	\$ 62,598	\$ 63,080
Other receivables	18,819	30,561
Other deposits	167,913	166,739
Total	<u>\$ 249,330</u>	<u>\$ 260,380</u>

Prepaid expenses include website domain, third party software maintenance and subscription, OTC Markets fee, employee and motor vehicle insurance.

Other receivables include receivables from service tax and management of car park for director and employees.

Other deposits primarily include deposit of the tenancy agreement and deposit made for security deposit for renovation and car park deposit.

6. PROPERTY, PLANT AND EQUIPMENT, NET

	As of June 30, 2026 (Unaudited)	As of December 31, 2025 (Audited)
Computer systems	\$ 375,666	\$ 357,783
Furniture and fittings	100,764	101,410
Electrical fittings	10,483	10,550
Handphone	73,684	74,157
Office equipment	115,544	112,201
Renovation	204,045	205,353
Motor vehicle	216,164	217,550
Property	453,209	456,114
Total property, plant and equipment	\$ 1,549,559	\$ 1,535,118
Less: Accumulated depreciation	(853,629)	(820,433)
Total property, plant and equipment, net	<u>\$ 695,930</u>	<u>\$ 714,685</u>
	For six months ended June 30, 2026 (Unaudited)	For the six months ended June 30, 2025 (Unaudited)
Investment in computer systems	\$ 20,686	\$ 10,153
Investment in furniture and fittings	-	8,056
Investment in motor vehicle	-	-
Investment in handphone	-	-
Investment in office equipment	4,163	1,824
Investment in renovation	-	16,237
Total investment in property, plant and equipment	<u>\$ 24,849</u>	<u>\$ 36,270</u>
Depreciation for the period	\$ 39,421	\$ 34,677

7. ACCRUED LIABILITIES AND OTHER PAYABLES

	As of June 30, 2026 (Unaudited)	As of December 31, 2025 (Audited)
Accrued expenses	\$ 402,805	\$ 501,160
Other payable	1,404	1,552
Total	<u>\$ 404,209</u>	<u>\$ 502,712</u>

Accrued expenses consist of outstanding audit fee, employee claims and salary, service tax and miscellaneous expenses.

Other payable includes primarily payable to third parties.

8. AMOUNT DUE TO DIRECTOR

As of June 30, 2026 and December 31, 2025, the Company had an outstanding amount due to director amounted \$51,878 and \$89,178 respectively, mainly consist of a loan from Mr. Kai Cheong Wong for the acquisition of property. On March 1, 2022, the Company, through its subsidiary, entered into a loan agreement with its director, Mr. Kai Cheong Wong, to finance the acquisition of a property in the amount of approximately \$356,769. The loan has a tenure of 60 months and bears interest at a fixed flat rate of 1.00% per annum for the first year, 1.50% per annum for the second year, and 4.00% per annum for the remaining term. The first installment commenced on April 1, 2022, with monthly installments of approximately \$5,946. For the quarter ended June 30, 2026 and 2025, the Company repaid interest totaling \$584 and \$1,041, respectively, to the director.

Aforementioned amount is unsecured, interest bearing and payable on demand or with tenure of 60 months.

9. RELATED PARTY BALANCES AND TRANSACTIONS

In September 2025, the Company, through its subsidiary, entered into a loan agreement with a related party for working capital purposes, with a loan amount of approximately \$47,634, bearing interest at 1.50% per annum. Aforementioned amount is unsecured, interest bearing and payable on demand.

1) *Nature of relationships with related parties*

The table below sets forth the major related parties and their relationships with the Company, with which the Company entered into transactions for the quarters ended June 30, 2026 and 2025 or recorded balances as of June 30, 2026 and December 31, 2025, respectively.

Name of Related Party	Relationship to the Company
Kai Cheong Wong	Chief Executive Officer of the Company
Murni StarFIN Sdn Bhd	Associate of the Company
KSP AsiaFIN Co., Ltd.	Associate of the Company
Tan Siew Meng	Spouse of the Company's Chief Executive Officer
Insite MY International Inc.	Entity with the Company's Chief Executive Officer as major shareholder
AsiaFIN Talent Sdn Bhd	Shareholder of the Company

2) *Balances with related parties*

	As of June 30, 2026	As of December 31, 2025
Trade		
Amount due from related parties		
Insite MY International, Inc.	\$ 157,513	\$ 74,609
KSP AsiaFIN Co., Ltd.	607	4,276
Amount due to related party		
Insite MY International, Inc.	\$ (64,169)	\$ (64,580)
Amount due from related parties	<u>\$ 93,951</u>	<u>\$ 14,305</u>
Non-trade		
Amount due from related parties		
KSP AsiaFIN Co., Ltd.	\$ 55,744	\$ 49,432
Insite MY International Inc.	32,044	32,250
AsiaFIN Talent Sdn Bhd	2	2
Amount due to related party		
Murni StarFIN Sdn Bhd	\$ (5,817)	\$ (6,760)
Amount due from related parties	<u>\$ 81,973</u>	<u>\$ 74,924</u>

3) Transactions with related parties

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Purchases from Insite MY International, Inc.	\$ -	\$ 4,169	\$ -	\$ 50,198
Expenses charged by Insite MY International, Inc.	\$ -	\$ 1,160	\$ -	\$ 1,827
Rental payment to Kai Cheong Wong	\$ 12,067	\$ 11,195	\$ 24,240	\$ 22,043
Rental payment to Tan Siew Meng	\$ 14,511	\$ 14,180	\$ 29,149	\$ 27,784
Expenses charged by Murni StarFIN Sdn Bhd	\$ (4)	\$ 744	\$ 923	\$ 747
Interest income from KSP AsiaFIN Co., Ltd.	\$ (187)	\$ (-)	\$ (373)	\$ (-)
Sales discount to KSP AsiaFIN Co., Ltd.	\$ (894)	\$ (-)	\$ (894)	\$ (-)

10. FINANCE LEASE LIABILITY

On August 28, 2025, the Company, through its subsidiary, acquired a motor vehicle amounted \$58,107 financed by \$47,551 hire purchase loan for 36 months at a fixed flat rate of 4.16% per annum with first installment commencing September 1, 2025 and monthly installment amounted approximately \$1,369.

For the six months ended June 30, 2026, the Company repaid \$8,053 in hire purchase loan with an outstanding amount of \$36,011 as of June 30, 2026.

Maturities of the loan for the remaining years are as follows:

Year ending December 31,	
2026	\$ 8,022
2027	16,563
2028	11,426
Total	<u>\$ 36,011</u>

11. LEASE RIGHT-OF-USE ASSET AND OPERATING LEASE LIABILITIES

Leases are classified as operating leases or finance leases in accordance with ASC 842. The Company's operating leases are mainly related to office facilities. For leases with terms greater than 12 months, the Company records the related asset and liability at the present value of lease payments over the term. The Company's lease agreements do not contain any material guarantees or restrictive covenants. The Company does not have any material finance leases or any sublease activities. Short-term leases, defined as leases with initial term of 12 months or less, are not reflected on the consolidated balance sheet.

During the quarter ended June 30, 2026, the Company entered into two new lease agreements primarily related to office facilities. As a result, the Company recognized new operating lease right-of-use assets of \$72,157 and corresponding new lease liabilities of \$72,157. These leases have a weighted-average remaining lease term of approximately 7.54 years. The weighted-average discount rate used to measure these lease liabilities was 6.54%.

During the quarter ended June 30, 2026, the Company reassessed its lease term assumptions for certain leased office facilities and determined that it is no longer reasonably certain to exercise certain renewal options. This reassessment was primarily driven by changes in the terms of the underlying lease agreements. As a result, the Company remeasured the related lease liabilities, resulting in a decrease of \$66,287, with a corresponding reduction to the associated right-of-use assets.

The following table presents a summary of changes in the Company's operating lease liabilities for the quarter ended June 30, 2026:

Right-Of-Use Assets

Balance as of December 31, 2025	\$ 583,610
New right-of-use assets recognized	72,157
Amortization for the six months ended June 30, 2026	(34,246)
Adjustment for non-exercising option	(66,287)
Adjustment for foreign currency translation difference	(2,849)
Balance as of June 30, 2026	<u>\$ 552,385</u>

Operating Lease Liability

Balance as of December 31, 2025	\$ 583,610
New lease liability recognized	72,157
Imputed interest for the six months ended June 30, 2026	19,142
Gross repayment for the six months ended June 30, 2026	(53,388)
Adjustment for non-exercising option	(66,287)
Adjustment for foreign currency translation difference	\$ (2,849)
Balance as of June 30, 2026	<u>\$ 552,385</u>

Operating lease liability current portion	<u>\$ 70,131</u>
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Operating lease liability non-current portion	<u>\$ 482,254</u>
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Other information:

	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flow to operating lease	\$ 53,388	\$ 48,912
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 72,157	\$ 617,213
Remaining lease term for operating lease (years)	7.54	8.60
Weighted average discount rate for operating lease	<u>6.54%</u>	<u>6.65%</u>

12. CONCENTRATION OF RISK

(a) Major Customers

For the three months ended June 30, 2026, the Company generated total revenue of \$1,516,382, of which one customer accounted for more than 10% of the Company's total revenue. For the three months ended June 30, 2025, the Company generated total revenue of \$1,007,296, of which one customer accounted for more than 10% of the Company's total revenue. The customers who accounted for more than 10% of the Company's total revenue and its outstanding receivable balance at period-end is presented below:

	For the three months ended June 30					
	2026	2025	2026	2025	2026	2025
	Revenue		Percentage of Revenue		Accounts receivable, gross	
Customer A	\$ 398,842	\$ 366,015	26%	36%	\$ 679,763	\$ 380,496
Others	1,117,540	641,281	74%	64%	826,149	618,000
Total	<u>\$ 1,516,382</u>	<u>\$ 1,007,296</u>	<u>100%</u>	<u>100%</u>	<u>\$ 1,505,912</u>	<u>\$ 998,496</u>

For the six months ended June 30, 2026, the Company generated total revenue of \$2,791,904, of which one customer accounted for more than 10% of the Company's total revenue. For the six months ended June 30, 2025, the Company generated total revenue of \$1,628,475, of which one customer accounted for more than 10% of the Company's total revenue. The customers who accounted for more than 10% of the Company's total revenue and its outstanding receivable balance at period-end is presented below:

	For the six months ended June 30					
	2026	2025	2026	2025	2026	2025
	Revenue		Percentage of Revenue		Accounts receivable, gross	
Customer A	\$ 702,506	\$ 366,015	25%	22%	\$ 679,763	\$ 380,496
Others	2,089,398	1,262,460	75%	78%	826,149	618,000
Total	<u>\$ 2,791,904</u>	<u>\$ 1,628,475</u>	<u>100%</u>	<u>100%</u>	<u>\$ 1,505,912</u>	<u>\$ 998,496</u>

(b) Major Suppliers

For the three months ended June 30, 2026, the Company incurred cost of revenue of \$756,170, of which no supplier accounted for more than 10% of the Company's cost of revenue. For the three months ended June 30, 2025, the Company incurred cost of revenue of \$695,376, of which no supplier accounted for more than 10% of the Company's cost of revenue.

For the six months ended June 30, 2026, the Company incurred cost of revenue of \$1,690,926, of which no supplier accounted for more than 10% of the Company's cost of revenue. For the six months ended June 30, 2025, the Company incurred cost of revenue of \$1,323,468, of which no supplier accounted for more than 10% of the Company's cost of revenue.

13. INCOME TAXES

The income/(loss) before income taxes of the Company for the six months ended June 30, 2026 and 2025 were comprised of the following:

	For the six months ended June 30,	
	2026	2025
Tax jurisdictions from:		
- Local	\$ (145,989)	\$ (225,773)
- Foreign, representing:		
Hong Kong	(261)	(9,042)
British Virgin Islands (non-taxable jurisdiction)	-	(1,650)
Labuan, Malaysia (non-taxable jurisdiction)	(2,051)	6,293
Malaysia	404,180	(467,511)
Income/(loss) before income taxes	<u>\$ 255,879</u>	<u>\$ (697,683)</u>

Provision for income taxes consisted of the following:

	As of June 30, 2026		As of December 31, 2025	
Current:				
- Local	\$ -	\$ -		
- Foreign	\$ -	\$ -		(159,940)
Deferred tax assets:				
- Local	\$ -	\$ -		
- Foreign	\$ -	\$ -		
Deferred tax liabilities:				
- Local	\$ -	\$ -		
- Foreign	\$ 8,160	\$ 8,212		
Income tax payable:				
- Local	\$ -	\$ -		
- Foreign	\$ 34,090	\$ 71,269		
Tax assets:				
- Local	\$ -	\$ -		
- Foreign	\$ 116,528	\$ 99,094		

Effective and Statutory Rate Reconciliation

The effective tax rate in the periods presented is the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates.

The following table summarizes a reconciliation of the Company's income taxes expenses:

	For the six months ended June 30,			
	2026		2025	
	Amount	Percentage	Amount	Percentage
Computed expected expenses and federal income tax rate	\$ (53,735)	21%	\$ (146,514)	21%
Effect of foreign tax rate difference	(12,589)	5%	(13,847)	2%
Changes in valuation allowances	(64,255)	25%	160,361	(23)%
Others	130,579	(51)%	-	-%
Total income tax expense and effective tax rate	<u>\$ -</u>	<u>-%</u>	<u>\$ -</u>	<u>-%</u>

The following table sets forth the significant components of the aggregate deferred tax assets of the Company as of June 30, 2026 and December 31, 2025:

	As of June 30, 2026	As of December 31, 2025
Deferred tax assets:		
Net operating losses carry forwards		
- United States of America	\$ 307,605	\$ 276,948
- Hong Kong	15,149	13,642
- British Virgin Islands	-	-
- Labuan, Malaysia	-	-
- Malaysia	91,341	95,557
Total deferred tax assets	\$ 414,095	\$ 386,147
Less: valuation allowance	(414,095)	(386,147)
Deferred tax assets, net of valuation allowance	<u>\$ -</u>	<u>\$ -</u>

The effective tax rate in the years presented is the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. During the period presented, the Company has a number of subsidiaries that operates in various countries: the United States of America, Hong Kong, the British Virgin Islands and Malaysia that are subject to taxes in the jurisdictions in which they operate, as follows:

United States of America

The Company is registered in the State of Nevada and is subject to United States of America tax law with a tax rate of 21%. The Tax Cuts and Jobs Act enacted in 2017 has changed the treatment of net operating losses (NOL's). Prior to the change, NOL could be carried back up to two years and carried forward up to 20 years to offset taxable income. In the new tax law, the NOL created between December 31, 2017 and December 31, 2020 could be carried back up to five years and carried forward indefinitely until used. The NOL created after December 31, 2020 could be carried forward is limited to 80% of the taxable income, can no longer be carried back, but are allowed to be carried forward indefinitely. The new law will apply to NOL arising in tax years beginning December 31, 2017. As of June 30, 2026, the operations in the United States of America incurred \$1,464,787 of cumulative net operating losses (NOL's) which can be carried forward to offset future taxable income. The NOL would be carried forward indefinitely, if unutilized. The Company has provided for a full valuation allowance of approximately \$307,605 against the deferred tax assets on the expected future tax benefits from the net operating loss carry forwards as the management believes it is more likely than not that these assets will not be realized in the future. There is no tax charge due to the losses incurred for the periods. For the six months ended June 30, 2026, there was no operating income under the applicable U.S. tax regime.

British Virgin Islands

The British Virgin Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the British Virgin Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the British Virgin Islands. The British Virgin Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the British Virgin Islands. Payments of dividends and capital in respect of our ordinary shares will not be subject to taxation in the British Virgin Islands and no withholding will be required on the payment of a dividend or capital to any holder of our ordinary shares, nor will gains derived from the disposal of our ordinary shares be subject to British Virgin Islands income or corporation tax. No stamp duty is payable in respect of the issue of the shares or on an instrument of transfer in respect of a share.

Hong Kong

AsiaFIN Holdings Corp. is subject to Hong Kong Profits Tax, which is charged at the statutory income tax rate of 8.25% on its assessable income.

Labuan, Malaysia

Labuan was established an international offshore financial center in 1990 with its own specific laws and regulations to attract foreign investment and promoting financial services. Under the current laws of Labuan, AsiaFIN Holdings Corp. is governed under the Labuan Business Activity Tax Act 1990. Labuan offers a low fixed tax rate of 3% for a Labuan incorporated company carrying a Labuan trading activity while the profit of a Labuan incorporated company carrying a Labuan non-trading activity for the tax assessment year shall not be charged to tax under Labuan Business Activity Tax Act 1990, effectively subjecting to a 0% tax rate. Labuan trading activity includes banking, insurance, trading, management, licensing, shipping operations or any other activity which is not a Labuan non-trading activity while Labuan non-trading activity is defined as an activity relating to the holding of investments in securities, stock, shares, loans, deposits or any other properties situated in Labuan by a Labuan incorporated company. For a Labuan incorporated company which fails to meet the substantial activity requirements issued in a circular on April 29, 2020, the tax charge for such company is based on 24% of net audited profit. As the Company's subsidiary, AsiaFIN Holdings Corp., which was incorporated under the Labuan acts as an investment holding company, is carrying a Labuan non-trading activity, the Company is not subject to tax under Labuan Business Activity Tax Act 1990.

Malaysia

Under the Malaysian tax regulatory system, companies incorporated or operating in Malaysia that are wholly or partially owned by foreign entities are generally subject to the standard corporate income tax rate of 24% on their chargeable income, unless they qualify for preferential tax treatment under specific incentives or thresholds. As the Company holds and controls subsidiaries incorporated and operating in Malaysia, these subsidiaries are subject to Malaysian corporate tax laws and are taxed at the prevailing corporate tax rate of 24% on their assessable income for the relevant year of assessment.

As of June 30, 2026, the Company's operations in Malaysia generated cumulative net operating income of \$364,567. This income has been recognized in accordance with applicable tax regulations. The Company has recorded a full valuation allowance of \$91,341 against its deferred tax assets, as management believes it is more likely than not that such assets will not be realized.

As of June 30, 2026, the Company's management believes that it is more likely than not that the deferred tax assets will not be fully realized in the future. Although the Company's operations in Malaysia generated cumulative net operating income, management concluded that the Company had not yet demonstrated a sufficient history of sustained profitability to support the realization of its deferred tax assets. In light of ongoing economic uncertainties, management has determined that it was appropriate to maintain a full valuation allowance against the deferred tax assets. The Company will continue to evaluate its valuation allowance policy and will consider adjustments only upon demonstrating sustained profitability over consecutive reporting periods. Accordingly, the Company has recorded a full valuation allowance against its deferred tax assets of \$414,095 and \$386,147 as of June 30, 2026 and December 31, 2025, respectively. For the six months ended June 30, 2026, the valuation allowance increased by \$27,948, primarily due to additional operating losses incurred by the Company during the period. For the six months ended June 30, 2026 and 2025, the Company recorded cash paid for income taxes of \$56,239 and \$24,055, respectively.

14. SHAREHOLDERS' EQUITY

On June 14, 2019, the Company issued 100,000 shares of restricted common stock, with a par value of \$0.0001 per share, to Kai Cheong Wong in consideration of \$10. The \$10 in proceeds went to the Company to be used as working capital. Mr. Wong serves as our Chief Executive Officer, President, Secretary, Treasurer and as member of our Board of Directors.

On December 18, 2019, we, “the Company” acquired 100% of the equity interests of AsiaFIN Holdings Corp. (herein referred to as the “Malaysia Company”), a private limited company incorporated in Labuan, Malaysia. In consideration of the equity interests of AsiaFIN Holdings Corp., our Chief Executive Officer, Mr. Wong was compensated \$1 HKD.

On December 20, 2019, the Company issued 21,900,000 shares of restricted common stock to Kai Cheong Wong with a par value of \$0.0001 per share, in consideration of \$2,190. The \$2,190 in proceeds went to the Company to be used as working capital.

On December 20, 2019, the Company issued 21,850,000 shares of restricted common stock to See Unicorn Ventures Sdn. Bhd., a company incorporated in Malaysia, with a par value of \$0.0001 per share, in consideration of \$2,185. The \$2,185 went to the Company to be used as working capital. Our Director, Dato' Kok Wah Seah, is a shareholder of See Unicorn Ventures Sdn. Bhd.

On December 20, 2019, the Company issued 10,000,000 shares of restricted common stock to SEATech Ventures Corp., a company incorporated in Nevada, with a par value of \$0.0001 per share, in consideration of \$1,000. The \$1,000 went to the Company to be used as working capital. Dato' Kok Wah Seah is an Officer and Director of and also a shareholder of SEATech Ventures Corp., owning 17.49% of the voting power of SEATech Ventures Corp.

On December 20, 2019, the Company issued 5,000,000 shares of restricted common stock to AsiaFIN Talent Sdn. Bhd., a company incorporated in Malaysia, with a par value of \$0.0001 per share, in consideration of \$500. The \$500 went to the Company to be used as working capital.

Mr. Kang Kok Seng Michael and Mr. Ng Kai Thim are each an Officer and Director of, and also the controlling shareholders of AsiaFIN Talent Sdn. Bhd.

On December 23, 2019, AsiaFIN Holdings Corp., Malaysia Company acquired AsiaFIN Holdings Limited (herein referred to as the “Hong Kong Company”), a private limited company incorporated in Hong Kong. In consideration of the equity interests of AsiaFIN Holdings Limited, our Chief Executive Officer, Mr. Wong was compensated \$1 HKD.

On February 7, 2020, the Company issued 500,000 shares of restricted common stock to Jeremy Wong Zi Jun at the purchase price of \$0.10 per share, for a total purchase price of \$50,000. The \$50,000 in proceeds went to the Company to be used as working capital. Mr. Jeremy Wong Zi Jun is the son of the Mr. Kai Cheong Wong, who is serving as the company's Chief Executive Director.

On August 3, 2021, the Company issued 837,300 shares of common stock being sold at \$1.00 per share for a total of \$837,300 through initial public offering.

On December 22, 2022, the Company entered into an acquisition agreement with the shareholders of StarFIN Holdings Limited, to acquire 100% equity stake in StarFIN Holdings Limited in consideration of a new issuance of 8,232,038 shares of restricted common stock, valued at \$9,055,242.

On January 20, 2025, the Company issued 364,000 shares of restricted common stock to 14 individual shareholders at the purchase price of \$0.90 per share, for a total purchase price of \$327,600. The \$327,600 in proceeds went to the Company to be used as working capital.

As of June 30, 2026, the Company has an issued and outstanding share of common stock of 81,915,838 with an authorized share of common stock of 600,000,000 with a par value of \$0.0001. In addition, the Company has an authorized share of preference stock of 200,000,000 with a par value of \$0.0001, however no share of preference stock was issued and outstanding as of June 30, 2026.

15. DIVIDEND

No dividend was declared for the six months ended June 30, 2026.

16. FOREIGN CURRENCY EXCHANGE RATE

The Company cannot guarantee that the current exchange rate will remain stable, therefore there is a possibility that the Company could post the same amount of income for two comparable periods and because of the fluctuating exchange rate post higher or lower income depending on exchange rate converted into US dollars at the end of the financial year. The exchange rate could fluctuate depending on changes in political and economic environments without notice.

17. SEGMENT REPORTING

ASC 280, “Segment Reporting” establishes standards for reporting information about operating segments on a basis consistent with the Company’s internal organization structure as well as information about services categories, business segments and major customers in financial statements. The Company has three reportable segments based on business unit, Payment Processing (Fintech), Regulatory Technology (RegTech) and Robotic Process Automation (RPA) businesses and two reportable segments based on country, Malaysia and Non-Malaysia.

The Company adopted the ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures”, which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses.

In accordance with the “Segment Reporting” Topic of the ASC, the Company’s chief operating decision maker has been identified as the Chief Executive Officer and President, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. Existing guidance, which is based on a management approach to segment reporting, establishes requirements to report selected segment information quarterly and to report annually entity-wide disclosures about products and services, major customers, and the countries in which the entity holds material assets and reports revenue. All material operating units qualify for aggregation under “Segment Reporting” due to their similar customer base and similarities in economic characteristics; nature of products and services; and procurement, manufacturing and distribution processes.

By Business Unit	For the Six Months Ended and As of June 30, 2026			
	Fintech	Regtech	RPA	Total
Revenue	\$ 1,280,673	\$ 1,183,042	\$ 328,189	\$ 2,791,904
Cost of revenue	(559,241)	(839,985)	(291,700)	(1,690,926)
Gross profit	\$ 721,432	\$ 343,057	\$ 36,489	\$ 1,100,978
Selling, general and administrative expenses	(246,906)	(433,754)	(169,498)	(850,158)
Income/(loss) from operations	\$ 474,526	\$ (90,697)	\$ (133,009)	\$ 250,820
Total assets	\$ 1,438,020	\$ 2,526,250	\$ 987,181	\$ 4,951,451
Capital expenditure	\$ 7,217	\$ 12,678	\$ 4,954	\$ 24,849

By Country	For the Six Months Ended and As of June 30, 2026		
	Malaysia	Non-Malaysia	Total
Revenue	\$ 2,791,904	\$ -	\$ 2,791,904
Cost of revenue	(1,690,926)	-	(1,690,926)
Gross profit	\$ 1,100,978	\$ -	\$ 1,100,978
Selling, general and administrative expenses	(704,064)	(146,094)	(850,158)
Income/(loss) from operations	\$ 396,914	\$ (146,094)	\$ 250,820
Total assets	\$ 4,922,948	\$ 28,503	\$ 4,951,451
Capital expenditure	\$ 24,849	\$ -	\$ 24,849

For the Six Months Ended and As of June 30, 2025

By Business Unit	Fintech	Regtech	RPA	Total
Revenue	\$ 579,632	\$ 758,680	\$ 290,163	\$ 1,628,475
Cost of revenue	(425,812)	(626,951)	(270,705)	(1,323,468)
Gross profit	\$ 153,820	\$ 131,729	\$ 19,458	\$ 305,007
Selling, general and administrative expenses	(278,313)	(502,704)	(227,869)	(1,008,886)
Loss from operations	<u>\$ (124,493)</u>	<u>\$ (370,975)</u>	<u>\$ (208,411)</u>	<u>\$ (703,879)</u>
Total assets	\$ 992,528	\$ 1,792,753	\$ 812,632	\$ 3,597,913
Capital expenditure	<u>\$ 6,853</u>	<u>\$ 12,377</u>	<u>\$ 5,611</u>	<u>\$ 24,841</u>

For the Six Months Ended and As of June 30, 2025

By Country	Malaysia	Non-Malaysia	Total
Revenue	\$ 1,628,475	\$ -	\$ 1,628,475
Cost of revenue	(1,323,468)	-	(1,323,468)
Gross profit	\$ 305,007	\$ -	\$ 305,007
Selling, general and administrative expenses	(772,422)	(236,464)	(1,008,886)
Loss from operations	<u>\$ (467,415)</u>	<u>\$ (236,464)</u>	<u>\$ (703,879)</u>
Total assets	\$ 3,568,845	\$ 29,068	\$ 3,597,913
Capital expenditure	\$ 24,841	\$ -	\$ 24,841

18. SUBSEQUENT EVENTS

In accordance with ASC Topic 855, “Subsequent Events”, which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after June 30, 2026 up through the date the Company presented these unaudited financial statements.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information contained in this quarterly report on Form 10-Q is intended to update the information contained in our Form 10-K dated April 1, 2026, for the year ended December 31, 2025 and presumes that readers have access to, and will have read, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other information contained in such Form 10-K. The following discussion and analysis also should be read together with our financial statements and the notes to the financial statements included elsewhere in this Form 10-Q.

The following discussion contains certain statements that may be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Report, including, without limitation, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. These statements are not guarantees of future performance and involve risks, uncertainties and requirements that are difficult to predict or are beyond our control. Forward-looking statements speak only as of the date of this quarterly report. You should not put undue reliance on any forward-looking statements. We strongly encourage investors to carefully read the factors described in our Form S-1/A registration statement, filed on April 28, 2026, in the section entitled “Risk Factors” for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. We assume no responsibility to update the forward-looking statements contained in this quarterly report on Form 10-Q. The following should also be read in conjunction with the unaudited Condensed Consolidated Financial Statements and notes thereto that appear elsewhere in this report.

Company Overview

AsiaFIN Holdings Corp., a company incorporated under the law of the State of Nevada, is a holding company operating through its wholly owned subsidiaries by offering a range of system solutions in payment processing (Fintech), Regulatory Technology (RegTech), and robotic process automation (RPA) to financial institutions, regulatory agencies, professional service providers and private enterprises from various industries, with existing clients in the Asia region and Saudi Arabia. Our subsidiary, SFHL, has over 90 bank customers for payment processing and RegTech, and our RPA solution system has more than 100 customers in Asia and Saudi Arabia. We maintain a corporate website at asiafingroup.com. The information on our website is not part of this report and shall not be deemed to be incorporated by reference into this report. Shares of our common stock are quoted on the OTCQB® Venture Market under the symbol “ASFH”.

Payment Processing (Fintech)

We have our own web-based payment processing system for check clearing used in central banks, financial institutions and payment system providers. This image-based check truncation system (CTS) is similar to the one used in the United States of America, under the CHECK21 standards. Our CTS systems are sold in Malaysia, Singapore, Indonesia, Philippines, Myanmar, Thailand, Pakistan, Bangladesh and in Saudi Arabia. INCHEQS (trademark pending) is our flagship Fintech product, through which we automate the clearing of checks, a payment instrument, for banks and central banks that either issue or collect checks, or both. INCHEQS is a check image-based solution where we deploy AI to identify the check amount, payee name, date, Magnetic Ink Character Recognition (MICR) code and signature to automate the approval and subsequent payment of checks to the customer. INCHEQS can be deployed at banks and clearing houses. The solution utilizes a web-based architecture and is sold either as a perpetual license with an annual maintenance contract or on an annual subscription basis. For the quarter ended June 30, 2026, INCHEQS generated approximately 41% of our revenue.

INGateway is a payment gateway solution that is designed to support and be compatible with the ISO20022 messaging standards for central banks and financial institutions. INGateway is capable of supporting the Straight Through Processing (STP) of all types of payment transactions (including SWIFT, Real-Time Gross Settlement (RTGS), GIRO (NACHA standards) and Fast and Secure Transfers (FAST) payment) and is extendable to interface with various types of payment gateways. Our STP payment gateway solutions are sold in Malaysia, Myanmar and Indonesia. For the quarter ended June 30, 2026, INGateway generated approximately 5% of our revenue.

Regulatory Technology (RegTech)

INReport is a RegTech system which conforms to XBRL reporting standards and other compliance reporting required by regulatory agencies such as central banks, securities commissions, tax authorities and company registries. Our INReport reporting platform covers financial statistic reporting, credit risk exposure and analysis, risk management reports, Foreign Account Tax Compliance Act (FATCA) and EU Common Reporting Standard (CRS) reporting, external sector reporting, Goods and Services Tax (GST) reporting for reporting entities and lately e-Invoicing reporting for large corporations. We have more than 54 financial institutions and 61 large corporations using this RegTech platform. For the quarter ended June 30, 2026, INReport generated approximately 42% of our revenue.

Additionally, we have developed TellUS Report, a RegTech Software as a Service (SaaS) solution for public listed companies and financial institutions for Environmental, Social and Governance (ESG) compliant reporting and consultancy. ESG guidelines have already been issued by Bank Negara Malaysia, the central bank of Malaysia and Bursa Malaysia Stock Exchange for their members to reduce their carbon footprint. Our subsidiary, TellUS Report Sdn Bhd, was created to focus on this new line of business in both the consultancy and reporting. The current reporting standard that TellUS Report supports is the GRI Standards. For the quarter ended June 30, 2026, TellUS Report did not generate a material amount of our revenue.

Robotic Process Automation (RPA)

OrangeFIN is AI-based RPA suite of products for financial institutions, large corporations and small medium enterprises. The OrangeWorkforce family of products, which consists of OrangeFIN Bots, OrangeFIN AI and OrangeFIN Vision, utilizes software robots for the automation of mundane, labor intensive, manual computer operations. Robots are utilized for the processes where they help to reduce operational costs and also costs arising from human error. Our system automates the capturing of customer information from identity cards, passports and other identification documents. Our solution will automatically extract data from customers' identity card, passport, and other identity documents and will immediately complete the forms, eliminating the friction and errors caused by manual input, through Intelligent Character Recognition technology and other AI-based technologies. Information extracted from an official identification document will then be checked against existing financial institutions' databases for regulatory screening in internal blacklist check, anti-money laundering, credit scoring check, FATCA, CRS and ESG reporting, etc. Our AI-based RPA has helped companies in Malaysia, Philippines, Indonesia and Pakistan. Also, we have a joint venture company KSP AsiaFIN Co., Ltd. that has fully translated our AI-based RPA to the Thai language. For the quarter ended June 30, 2026, OrangeFIN generated approximately 12% of our revenue.

Results of operations

Three months ended June 30, 2026 and 2025

	For the Three Months Ended June 30,				Increase (decrease) in 2026 compared to 2025	
	2026		2025			
	(In U.S. dollars, except for percentages)					
Revenue	\$ 1,516,382	100.0%	\$ 1,007,296	100.0%	\$ 509,086	50.5%
Cost of revenue	(756,170)	(49.9)%	(695,376)	(69.0)%	60,794	8.7%
Gross profit	\$ 760,212	50.1%	\$ 311,920	31.0%	\$ 448,292	143.7%
Selling, general and administrative expenses	(340,536)	(22.5)%	(523,056)	(51.9)%	(182,520)	(34.9)%
Income/(loss) from operations	\$ 419,676	27.7%	\$ (211,136)	(21.0)%	\$ 630,812	298.8%
Other income	2,049	0.1%	3,531	0.4%	(1,482)	(42.0)%
Finance cost	(670)	(0.0)%	(500)	(0.0)%	170	34.0%
Share of loss from operation of associate	(18)	(0.0)%	(115)	(0.0)%	(97)	(84.3)%
Income/(loss) before income tax	\$ 421,037	27.8%	\$ (208,220)	(20.7)%	\$ 629,257	302.2%
Income tax expense	-	-%	-	-%	-	-%
Net income/(loss)	\$ 421,037	27.8%	\$ (208,220)	(20.7)%	\$ 629,257	302.2%
Net loss attributable to non-controlling interest	9,742	0.6%	10,419	1.0%	(677)	(6.5)%
Net income/(loss) attributed to common shareholders of AsiaFIN Holdings Corp.	\$ 430,779	28.4%	\$ (197,801)	(19.6)%	\$ 628,580	317.8%

Revenues

For the three months ended June 30, 2026, the Company generated revenue in the amount of \$1,516,382. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

For the three months ended June 30, 2025, the Company generated revenue in the amount of \$1,007,296. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

The increase in revenue of \$509,086, or 50.5%, was primarily attributable to the achievement of additional project milestones during the three months ended June 30, 2026, which resulted in higher revenue recognition compared with the corresponding period in 2025.

Selling, General and Administrative Expenses

For the three months ended June 30, 2026, the Company had selling, general and administrative expenses in the amount of \$340,536. These were primarily comprised of salary expenses, credit loss allowance, consultancy fee, legal services fee, lease expenses and other professional fee.

For the three months ended June 30, 2025, the Company had selling, general and administrative expenses in the amount of \$523,056. These were primarily comprised of salary expenses, credit loss allowance, consultancy fee, other professional fee, advertisement fee, transportation charges and travelling expenses.

The decrease in general and administrative expenses was primarily attributable to significant reduction in credit loss allowance expenses, advertisement expenses, consultancy fees and other professional fees.

Net Income/Loss

For the three months ended June 30, 2026, the Company has generated a net income of \$430,779.

For the three months ended June 30, 2025, the Company has incurred a net loss of \$197,801.

Six months ended June 30, 2026 and 2025

	For the Six Months Ended June 30,				Increase (decrease) in 2026 compared to 2025	
	2026		2025		2025	
	(In U.S. dollars, except for percentages)					
Revenue	\$ 2,791,904	100.0%	\$ 1,628,475	100.0%	\$ 1,163,429	71.4%
Cost of revenue	(1,690,926)	(60.6)%	(1,323,468)	(81.3)%	367,458	27.8%
Gross profit	\$ 1,100,978	39.4%	\$ 305,007	18.7%	\$ 795,971	261.0%
Selling, general and administrative expenses	(850,158)	(30.5)%	(1,008,886)	(62.0)%	(158,728)	(15.7)%
Income/(loss) from operations	\$ 250,820	9.0%	\$ (703,879)	(43.2)%	\$ 954,699	135.6%
Other income	6,609	0.2%	7,354	0.5%	(745)	(10.1)%
Finance cost	(1,458)	(0.1)%	(1,041)	(0.1)%	417	40.1%
Share of loss from operation of associate	(92)	(0.0)%	(117)	(0.0)%	(25)	(21.4)%
Income/(loss) before income tax	\$ 255,879	9.2%	\$ (697,683)	(42.8)%	\$ 953,562	136.7%
Income tax expense	-	-%	-	-%	-	-%
Net income/(loss)	\$ 255,879	9.2%	\$ (697,683)	(42.8)%	\$ 953,562	136.7%
Net loss attributable to non-controlling interest	22,328	0.8%	17,453	1.1%	4,875	27.9%
Net income/(loss) attributed to common shareholders of AsiaFIN Holdings Corp.	\$ 278,207	10.0%	\$ (680,230)	(41.7)%	\$ 958,437	140.9%

Revenues

For the six months ended June 30, 2026, the Company generated revenue in the amount of \$2,791,904. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

For the six months ended June 30, 2025, the Company generated revenue in the amount of \$1,628,475. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

The increase in revenue of \$1,163,429, or 71.4%, was primarily attributable to the achievement of additional project milestones during the six months ended June 30, 2026, which resulted in higher revenue recognition compared with the corresponding period in 2025.

Selling, General and Administrative Expenses

For the six months ended June 30, 2026, the Company had selling, general and administrative expenses in the amount of \$850,158. These were primarily comprised of salary expenses, credit loss allowance, lease expenses, consultancy fee, other professional fee, advertisement fee, transportation charges and travelling expenses.

For the six months ended June 30, 2025, the Company had selling, general and administrative expenses in the amount of \$1,008,886. These were primarily comprised of salary expenses, credit loss allowance, lease expenses, consultancy fee, other professional fee, advertisement fee, transportation charges and travelling expenses.

The decrease in general and administrative expenses was primarily attributable to significant reduction in credit loss allowance expenses, advertisement expenses, consultancy fees and other professional fees.

Net Income/Loss

For the six months ended June 30, 2026, the Company has generated a net income of \$278,207.

For the six months ended June 30, 2025, the Company has incurred a net loss of \$680,230.

Liquidity and Capital Resources

Six months ended June 30, 2026 and 2025

Cash Used in Operating Activities

For the six months ended June 30, 2026, the Company has used \$80,301 in operating activity, of which primarily consist of decrease in account payables, increase in account receivables, increase in contract assets, decrease in accrued liabilities and other payables, increase in tax assets, decrease in income tax payable and reduction in lease liability contra by net income, share of loss from operation of associate, depreciation and amortization, provision for credit loss allowance, decrease in prepayment, deposits and other receivables and increase in contract liabilities.

For the six months ended June 30, 2025, the Company has used \$256,705 in operating activity, of which primarily consist of net loss, minority interest, disposal of asset, decrease in accrued liabilities and other payables, increase in tax assets, decrease in income tax payable and reduction in lease liability contra by share of loss from operation of associate, depreciation and amortization, provision for credit loss allowance, increase in account payables, decrease in account receivables, decrease in prepayment, deposits and other receivables and increase in contract liabilities.

Cash Used in Investing Activities

For the six months ended June 30, 2026, the Company has invested \$746,980 in investing activities, for the investment in time deposit and acquisition of computer system and office equipment.

For the six months ended June 30, 2025, the Company has invested \$24,841 in investing activities, for the acquisition of computer systems, furniture and fittings, renovation and office equipment.

Cash Used in Financing Activities

For the six months ended June 30, 2026, the Company has used \$53,276 in financing activity, primarily consist of advances to director, repayment of finance lease liabilities and advances to related companies.

For the six months ended June 30, 2025, the Company has used \$34,734 in financing activity, primarily consist of proceeds from share issuance, advances to director and advances to related companies.

Off-balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to our shareholders as of June 30, 2026.

Contractual Obligations

The contractual obligations presented in the table below represent our estimates of future cash payments under fixed contractual obligations.

The following table summarizes our contractual obligations as of June 30, 2026:

	Total	Due within 1 year
Operating lease obligations ¹	\$ 552,385	\$ 70,131
Loan obligation ²	55,120	55,120
Hire purchase obligation ³	36,011	16,217
Total contractual obligations	<u>\$ 643,516</u>	<u>\$ 141,468</u>

¹ Amount includes operating lease right-of-use obligations. We have one office space leasing agreement with our Chief Executive Officer and director, Mr. Kai Cheong Wong, and three office space leasing agreements with third party.

² Represents the loan agreement with our Chief Executive Officer and director, Mr. Kai Cheong Wong, for the acquisition of property.

³ Represents the hire purchase agreement for the acquisition of motor vehicle.

There were no outstanding obligations that were considered material as of June 30, 2026.

Critical Accounting Policies and Estimates

In preparing our Consolidated Financial Statements in accordance with generally accepted accounting principles in the United States (“GAAP”) and pursuant to the rules and regulations of the SEC, we make assumptions, judgments and estimates that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosures of contingent assets and liabilities. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. We evaluate our assumptions, judgments and estimates on a regular basis. We also discuss our critical accounting policies and estimates with the Audit Committee of the Board of Directors.

We believe that the assumptions, judgments and estimates involved in the accounting for revenue recognition and credit losses have the greatest potential impact on our Consolidated Financial Statements. These areas are key components of our results of operations and are based on complex rules requiring us to make judgments and estimates, and consequently, we consider these to be our critical accounting policies. Historically, our assumptions, judgments and estimates relative to our critical accounting policies have not differed materially from actual results.

Credit losses

The Company estimates and records a provision for its expected credit losses related to its financial instruments, including its trade receivables. Management considers historical collection rates, the current financial status of the Company’s customers, macroeconomic factors, and other industry-specific factors when evaluating current expected credit losses. Forward-looking information is also considered in the evaluation of current expected credit losses. However, because of the short time to the expected receipt of accounts receivable, management believes that the carrying value, net of expected losses, approximates fair value and therefore, relies more on historical and current analysis of such financial instruments, including its trade receivables.

Credit loss rate is determined by historical collection based on aging schedule, adjusted for current conditions using reasonable and supportable forecasts. Based on the aging categorization and the adjusted loss rate per category, an allowance for credit losses is calculated by multiplying the adjusted loss rate with the amortized cost in the respective age category.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326), which introduces a practical expedient for measuring expected credit losses on trade receivables and contract assets. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim periods within fiscal years beginning after December 15, 2026. Early adoption is permitted. The Company already adopted this ASU on its consolidated financial statements and related disclosure. The Company has elected practical expedient under ASU 2025-05 for the quarter ended June 30, 2026 which permits assuming that current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when estimating expected credit losses. Accordingly, the Company’s estimate of expected credit losses for current accounts receivables is based on the delinquency status of those uncollected balances as of June 30, 2026. The Company calculates the expected credit loss rate by applying the rate of change between the balances from the previous quarter and the uncollected balances in the current quarter on the historical loss rate.

Revenue recognition

The Company follows the guidance of ASC 606, “Revenue from Contracts” (“ASC 606”). ASC 606 creates a five-step model that requires entities to exercise judgment when considering the terms of contracts, which includes (1) identifying the contracts or agreements with a customer, (2) identifying our performance obligations in the contract or agreement, (3) determining the transaction price, (4) allocating the transaction price to the separate performance obligations, and (5) recognizing revenue as each performance obligation is satisfied. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the services it transfers to its clients.

The Company’s revenue consists of revenue from providing information technology services such as business system integration and management services, computer programming activities and services to the customers.

Recent Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326), which introduces a practical expedient for measuring expected credit losses on trade receivables and contract assets. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim periods within fiscal years beginning after December 15, 2026. Early adoption is permitted. The Company already adopted this ASU on its consolidated financial statements and related disclosure during the third quarter of 2025.

Other than the pronouncements adopted as noted above, there are no recently issued accounting standards expected to have a material impact on the Company's consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires enhanced disclosures of certain income statement expenses. In January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted, either prospectively or retrospectively.

In December 2025, the FASB issued ASU 2025-11 “Interim Reporting (Topic 270): Narrow-Scope Improvements”. This ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. This ASU is effective for interim reporting periods beginning after December 15, 2027. Early adoption is permitted.

In December 2025, the FASB issued ASU 2025-12 “Codification Improvements”. This ASU represents changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods. Early adoption is permitted.

The Company reviews new accounting standards as issued. Management has not identified any other new standards that it believes will have a significant impact on the Company's financial statements.

Item 3 Quantitative and Qualitative Disclosures About Market Risk.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this Item.

Item 4 Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the “Exchange Act”), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer, of the effectiveness of our disclosure controls and procedures as of June 30, 2026. Based on the evaluation of these disclosure controls and procedures, and in light of the material weaknesses found in our internal controls over financial reporting, our chief executive officer concluded that our disclosure controls and procedures were not effective.

The matters involving internal controls and procedures that our management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were: (i) inadequate written policies and procedures for accounting and financial reporting in accordance with the requirements and application of U.S. GAAP and SEC guidelines; (ii) inadequate segregation of duties and effective risk assessment; and (iii) lack of internal audit function due to the fact that the Company lacks qualified personnel to perform the internal audit functions effectively and that the scope and effectiveness of the internal audit function are yet to be developed. The aforementioned material weaknesses were identified by our chief executive officer in connection with the review of our financial statements as of June 30, 2026.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The internal controls for the Company are provided by executive management's review and approval of all transactions. Our internal control over financial reporting also includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of June 30, 2026. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework. Management's assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of these controls.

As of June 30, 2026, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in 2013 and SEC guidance on conducting such assessments. Based on such evaluation, the Company's management concluded that, during the period covered by this Report, our internal control over financial reporting were not effective due to the presence of material weaknesses.

Changes in Internal Control over Financial Reporting:

There were no changes in our internal control over financial reporting during the period covered by this Report, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not subject to nor engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to us to be pending or threatened by or against our Company that would have a material adverse effect on our Company's results of operations or financial condition. Further, there are no proceedings in which any of our directors, officers or affiliates, or any beneficial shareholder are an adverse party or has a material interest adverse to our Company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On January 20, 2025, the Company issued 364,000 shares of restricted common stock to 14 individual shareholders at the purchase price of \$0.90 per share, for a total purchase price of \$327,600. The \$327,600 in proceeds went to the Company to be used as working capital.

The issuance of the Shares pursuant to the Subscription Agreement was exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(a)(2) of the Securities Act, Rule 506 under Regulation D of the Securities Act and/or Regulation S under the Securities Act and in reliance on similar exemptions under applicable state laws.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

Insider Trading Arrangements

During the quarter ended June 30, 2026, none of our directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities to satisfy the affirmative defense conditions of "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement".

ITEM 6. Exhibits

31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal executive officer
31.2	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal financial officer and principal accounting officer
32.1	Section 1350 Certification of principal executive officer
32.2	Section 1350 Certification of principal financial officer and principal accounting officer
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AsiaFIN Holdings Corp.

(Name of Registrant)

Date: August 11, 2026

By: /s/ **Kai Cheong Wong**

Title: Chief Executive Officer,
President, Director, Secretary and Treasurer
(Principal Executive Officer)

Date: August 11, 2026

By: /s/ **Ghi Geok Khoo**

Title: Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)