



PANDA ECO SYSTEM BERHAD

(Registration No: 202201028635 (1474332-M))
(Incorporated in Malaysia)

**1ST QUARTER INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	Note	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 3 MONTHS ENDED	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
Revenue		8,004	8,323	8,004	8,323
Cost of sales		(4,674)	(2,821)	(4,674)	(2,821)
Gross profit		3,330	5,502	3,330	5,502
Other income		263	211	263	211
Administrative and other expenses		(1,736)	(1,507)	(1,736)	(1,507)
Net impairment losses on financial assets		(170)	(205)	(170)	(205)
Profit from operations		1,687	4,001	1,687	4,001
Finance costs		(4)	(3)	(4)	(3)
Profit before tax	B13	1,683	3,998	1,683	3,998
Tax expense	B5	(471)	(1,053)	(471)	(1,053)
Profit after tax/ total comprehensive income for the period		1,212	2,945	1,212	2,945
Profit after tax/ total comprehensive income for the period attributable to:					
Owners of the Group		1,391	2,945	1,391	2,945
Non-controlling interests		(179)	-	(179)	-
		1,212	2,945	1,212	2,945
Earnings per share ("EPS")	B12				
- Basic (sen) ⁽²⁾		0.21	0.44	0.21	0.44
- Diluted (sen) ⁽³⁾		0.21	0.44	0.21	0.44

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited financial statements of Panda Eco System Berhad ("Panda" or the "Company") and its subsidiaries (collectively referred to as "Panda Group" or the "Group") for the financial year ended ("FYE") 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic EPS is calculated based on the weighted average number of ordinary shares of the Company of 671,187,000 as at 31 March 2025 (31 March 2024: 671,187,000).
- (3) There are no dilutive instruments as at the end of the current financial quarter.

PANDA ECO SYSTEM BERHAD
Registration No.: 202201028635 (1474332-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
AS AT 31 MARCH 2025

	Note	Unaudited As at 31.03.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,186	995
Right-of-use assets		259	212
Intangible assets		2,652	2,594
Deferred tax assets		242	149
Total non-current assets		4,339	3,950
Current assets			
Inventories		139	191
Trade receivables		4,835	3,781
Other receivables, deposits and prepayments		2,256	2,231
Contract assets		2	4
Current tax assets		1,529	1,035
Fixed deposits with licensed banks		23,896	23,346
Cash and bank balances		8,301	10,656
Total current assets		40,958	41,244
TOTAL ASSETS		45,297	45,194
EQUITY AND LIABILITIES			
EQUITY			
Share capital		22,173	22,173
Merger deficits		(5,239)	(5,239)
Retained earnings		21,655	20,264
Equity attributable to the owners of the Company		38,589	37,198
Non-controlling interests		(81)	-
Total equity		38,508	37,198
LIABILITIES			
Non-current liabilities			
Lease liabilities	B7	116	81
Deferred tax liabilities		245	240
Total non-current liabilities		361	321
Current liabilities			
Trade payables		801	741
Other payables and accruals		3,224	4,350
Contract liabilities		2,251	2,444
Lease liabilities	B7	152	140
Total current liabilities		6,428	7,675
TOTAL LIABILITIES		6,789	7,996
TOTAL EQUITY AND LIABILITIES		45,297	45,194
Net assets per ordinary share attributable to owners of the Company (RM) ⁽²⁾		0.06	0.06

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
AS AT 31 MARCH 2025 (CONTINUED)

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the audited financial statements of the Group for FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Computed based on total equity attributable to the owners of the Company divided by the number of ordinary shares of the Company of 671,187,000 as at 31 March 2025 (31 December 2024: 671,187,000).

The rest of this page is intentionally left blank

PANDA ECO SYSTEM BERHAD
Registration No.: 202201028635 (1474332-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

		Non- distributable	Distributable			
	Share Capital RM'000	Merger Deficits RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 1 January 2024 (Audited)	22,173	(5,239)	15,537	32,471	-	32,471
Profit after tax/total comprehensive income for the financial period	-	-	2,945	2,945	-	2,945
At 31 March 2024 (Unaudited)	22,173	(5,239)	18,482	35,416	-	35,416
At 1 January 2025 (Audited)	22,173	(5,239)	20,264	37,198	-	37,198
Investment in a subsidiary	-	-	-	-	98	98
Profit/(Loss) after tax/total comprehensive income/(expense) for the financial period	-	-	1,391	1,391	(179)	1,212
At 31 March 2025 (Unaudited)	22,173	(5,239)	21,655	38,589	(81)	38,508

Note:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in Note A1 and should be read in conjunction with the audited financial statements of the Group for FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	Unaudited CURRENT PERIOD-TO- DATE 31.03.2025 RM'000	Unaudited PRECEDING PERIOD-TO- DATE 31.03.2024 RM'000
CASH FLOWS (USED FOR)/GENERATED FROM OPERATING ACTIVITIES		
Profit before tax	1,683	3,998
Adjustments for:		
Allowance for impairment losses on inventories	2	-
Allowance for impairment losses on trade receivables	170	205
Amortisation of intangible assets	39	-
Depreciation of property, plant and equipment	66	63
Depreciation of right-of-use assets	38	17
Interest expense on lease liabilities	4	3
Interest income	(247)	(206)
Reversal of impairment losses on inventories	-	(7)
Operating profit before changes in working capital	1,755	4,073
Changes in working capital:		
Inventories	50	(87)
Contract assets	2	(6)
Trade and other receivables	(1,225)	(2,023)
Trade and other payables	(1,066)	(864)
Contract liabilities	(193)	841
Cash (used for)/generated from operations	(677)	1,934
Tax paid	(1,113)	(652)
Tax refunded	60	-
Net cash (used for)/generated from operating activities	(1,730)	1,282
CASH FLOWS (USED FOR)/GENERATED FROM INVESTING ACTIVITIES		
Investment in a subsidiary	98	-
Additional investment in intangible assets	(97)	(154)
Interest received	247	206
Placement of fixed deposits with tenure more than 3 months	(450)	-
Purchase of property, plant and equipment	(281)	(39)
Net cash (used for)/generated from investing activities	(483)	13
CASH FLOWS USED FOR FINANCING ACTIVITIES		
Interest paid	(4)	(3)
Repayment of lease liabilities	(37)	(16)
Net cash used for financing activities	(41)	(19)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTINUED)

	Unaudited CURRENT PERIOD-TO- DATE 31.03.2025 RM'000	Unaudited PRECEDING PERIOD-TO- DATE 31.03.2024 RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,254)	1,276
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	31,951	29,689
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	29,697	30,965
	As at 31.03.2025 RM'000	As at 31.03.2024 RM'000
Cash and cash equivalents at the end of the financial period are represented by:		
Fixed deposits with licensed banks	23,896	23,969
Cash and bank balances	8,301	6,996
	32,197	30,965
Less: Fixed deposits with tenure more than 3 months	(2,500)	-
	29,697	30,965

Note:

- (1) The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

The rest of this page is intentionally left blank

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

This condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This interim financial report should be read in conjunction with the audited financial statements of the Group for FYE 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the Group's audited financial statements for FYE 31 December 2024 as disclosed in the Annual Report, except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB.

(a) New MFRS and amendments/Improvements to MFRSs effective on 1 January 2025

Amendments to MFRS 121: *Lack of Exchangeability*

The adoption of the above new MFRS and amendments/improvements to MFRSs does not have any significant effect on the financial statements of the Group.

(b) Amendments/improvements to MFRSs that have been issued, but yet to be effective

	Effective Date
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact on the Group.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial period-to-date under review.

A5. Unusual Items Due to Their Nature, Size or Incidence

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial period-to-date under review.

A6. Material Changes in Estimates

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter and financial period-to-date under review.

A8. Dividend Paid

There were no dividends paid during the current quarter under review.

The rest of this page is intentionally left blank

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Information

The Group's revenue is segmented as follows:

Revenue by products/services

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUATER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Retail Management Eco-system:				
• HQ Centralised Management, Store Operations and Financial Management solution	4,861	6,085	4,861	6,085
• xBridge B2B solution	1,592	1,292	1,592	1,292
• Omni-Channel Engagement solution	491	540	491	540
Others:				
• Outright sale of IT hardware and third-party software	1,023	406	1,023	406
• Software customisation, implementation and integration	37	*	37	*
	8,004	8,323	8,004	8,323

Note:

* Represents less than RM100.

A10. Valuation of Property, Plant and Equipment

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

The rest of this page is intentionally left blank

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A11. Material Events

On 29 November 2024, M & A Securities Sdn Bhd ("**M&A Securities**"), on behalf of the Board of Directors of Panda ("**Board**"), announced that the Company had on 28 November 2024 entered into a conditional SSA with the Vendors to acquire the following:

- (i) 100,000 ordinary shares representing the entire equity interest in GSSB;
- (ii) 50,000 ordinary shares representing the entire equity interest in DOTSB,

for a total purchase consideration of RM17.1 million and will be satisfied via a combination of:

- (i) cash of RM11.1 million; and
- (ii) RM6.0 million via the issuance of 19,462,674 new ordinary shares in Panda at an issue price of RM0.3068 per share,

(collectively referred to as "**Proposed Acquisitions**").

On 21 January 2025, M&A Securities, on behalf of the Board, announced that the listing application in relation to the Proposed Acquisitions had been submitted to Bursa Securities on 20 January 2025.

Subsequent to the end of the current financial quarter under review, on 10 April 2025, M&A Securities, on behalf of the Board, announced that Bursa Securities had approved the Proposed Acquisitions subject to certain conditions including obtaining shareholders' approval.

On 26 May 2025, the shareholders approved the Proposed Acquisitions. The Proposed Acquisitions are expected to be completed by 30 June 2025, subject to full settlement of purchase consideration.

Save for the above, there were no material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter under review.

On 2 January 2025, the Company acquired a 51% equity interest in Centra Solutions Sdn. Bhd. ("**CSSB**") comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, CSSB became a subsidiary of the Company. On 13 January 2025, the Company increased its investment in CSSB from RM51 to RM102,000 when CSSB increased its total paid up share capital to RM200,000.

A13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets in the Group as at the date of this interim financial report.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A14. Related Party Transactions Disclosures

The related party transactions between the Group and related party are as follows:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
A Company in which certain Directors of the Company have financial interests				
Purchase of goods	285	257	285	257
Directors of the Company				
Lease expenses paid/payable	14	14	14	14
Directors of the subsidiaries				
Lease expenses paid/payable	-	3	-	3

A15. Capital Commitments

There were no material commitments at the end of the financial period, save as disclosed in Note B6.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Financial Performance

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Revenue	8,004	8,323	8,004	8,323
Gross profit	3,330	5,502	3,330	5,502
Profit before tax	1,683	3,998	1,683	3,998
Profit after tax	1,212	2,945	1,212	2,945
Profit attributable to:				
- Owners of the Group	1,391	2,945	1,391	2,945

Current quarter ended 31 March 2025 compared with preceding year corresponding quarter ended 31 March 2024

Revenue of current quarter ended 31 March 2025 decreased by RM0.32 million to approximately RM8.00 million as compared to corresponding quarter ended 31 March 2024 mainly due to the decrease in revenue contributed from the Retail Management Eco-system (HQ centralised management, store operations and financial management) by RM1.22 million to approximately RM4.86 million (31 March 2024: RM6.08 million). However, the decrease in revenue was partially offset by increase in the following:

- (i) revenue contributed from outright sale of IT hardware and third-party software by RM0.61 to approximately RM1.02 million (31 March 2024: RM0.41 million); and
- (ii) revenue contributed from xBridge B2B solution by RM0.30 million to approximately RM1.59 million (31 March 2024: RM1.29 million).

Gross profit of current quarter ended 31 March 2025 decreased by RM2.17 million to approximately RM3.33 million as compared to corresponding quarter ended 31 March 2024 was mainly due to higher staff cost incurred in view of additional headcount hired for the current quarter.

Profit before tax of current quarter ended 31 March 2025 decreased by RM2.32 million to approximately RM1.68 million as compared to corresponding quarter ended 31 March 2024 was mainly due to the decrease in gross profit as explained above.

The rest of this page is intentionally left blank

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B2. Comparison with Immediate Preceding Quarter's Results

	<u>CURRENT QUARTER</u> 31.03.2025	<u>IMMEDIATE PRECEDING QUARTER</u> 31.12.2024	
	Unaudited RM'000	Unaudited RM'000	Changes %
Revenue	8,004	8,289	(3.44)
Gross profit	3,330	4,761	(30.06)
Profit before tax	1,683	3,399	(50.49)
Profit after tax	1,212	2,351	(48.45)

The Group's revenue for the current quarter decreased by RM0.29 million or 3.44% to RM8.00 million as compared with the immediate preceding quarter of RM8.29 million. The decrease in revenue was mainly due to a decrease in revenue generated from Retail Management Eco System (HQ centralised management, store operations and financial management) and this decrease in revenue was partially offset by higher revenue generated from license fee and project implementation charges for third-party software.

The Group recorded a profit before tax of RM1.68 million in the current quarter as compared to the profit before tax of RM3.40 million in the immediate preceding quarter. The decrease was mainly due to:

- (i) Decrease in gross profit by RM1.43 million to approximately RM3.33 million for current quarter (immediate preceding quarter: RM4.76 million), which was caused by higher staff cost incurred in view of additional headcount hired for the current quarter; and
- (ii) Increased in net impairment losses on trade receivable by RM0.6 million to approximately RM0.17 million (immediate preceding quarter: a reversal of net impairment losses on trade receivable RM0.43 million).

However, the above was partly offset by a decrease in administrative and other expenses by RM0.42 million to RM1.73 million for the current quarter (immediate preceding quarter: RM2.15 million). The decrease in current quarter as compared to immediate preceding quarter was mainly attributable to professional fees incurred in the immediate preceding quarter in relation to the Proposed Acquisitions.

The rest of this page is intentionally left blank

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B3. Prospects of the Group

The Group is principally involved in the development, customisation, implementation and integration of its Retail Management Eco-system. The Group expects that the growth of its Retail Management Eco-system business segment will be centered on the following areas:

- (i) development of cloud-based modules and expansion of solution offerings;
- (ii) expansion of workforce and operational facilities to facilitate business expansion in Malaysia; and
- (iii) regional expansion into other countries within ASEAN, namely Indonesia and the Philippines.

On 28 November 2024, the Company entered into a conditional share sale agreement ("**SSA**") with Yeow Cheng Hock, Ho Soo Cherng, Ding Chew Keat and Cheok Kian Hing (collectively referred to as "**Vendors**") for the Proposed Acquisitions as disclosed in Note B6.

Furthermore, on 2 January 2025, the Company acquired a 51.0% equity interest in Centra Solutions Sdn. Bhd. ("**CSSB**") which subsequently became a subsidiary of Panda. CSSB is in the business of re-selling third party Point-Of-Sales and Enterprise Resource Planning software (that has a global presence) which focus on reputable retailers, among others but not limited to multinational departmental stores, convenience stores, book stores as well as retailers in other industries ("**Investment**").

By optimising resources and leveraging on shared expertise between Panda, GSSB, DOTSB and CSSB, the Group expects that the Proposed Acquisitions and Investment will:

- (i) expand its existing customer base and increase products offerings to a wider range of customers; and
- (ii) strengthen the position of the Group as a retail management solutions provider in Malaysia and gain opportunities to secure higher value contracts with reputable customers.

Barring unforeseen circumstances, the Board expects the Group to achieve satisfactory performance moving forward.

B4. Variance of Actual Profits from Profit Forecast

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B5. Taxation

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current period	471	1,053	471	1,053
Effective tax rate (%)	27.99	26.34	27.99	26.34
Statutory tax rate (%)	24.00	24.00	24.00	24.00

B6. Status of Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but not implemented as at the date of this interim financial report.

On 29 November 2024, M&A Securities, on behalf of the Board, announced that the Company had on 28 November 2024 entered into a conditional SSA with the Vendors for the Proposed Acquisitions.

On 21 January 2025, M&A Securities, on behalf of the Board, announced that the listing application in relation to the Proposed Acquisitions had been submitted to Bursa Securities on 20 January 2025.

On 10 April 2025, M&A Securities, on behalf of the Board, announced that Bursa Securities had approved the Proposed Acquisitions subject to certain conditions including obtaining shareholders' approval.

On 26 May 2025, the shareholders approved the Proposed Acquisitions. The Proposed Acquisitions are expected to be completed by 30 June 2025, subject to full settlement of purchase consideration.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B7. Group Borrowings and Debts Securities

	31.03.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Non-current:		
Lease liabilities	116	81
Current:		
Lease liabilities	152	140
Total borrowings	268	221

B8. Derivative Financial Instruments

There were no outstanding derivatives as at 31 March 2025.

B9. Utilisation of Proceeds from the Public Issue

The gross proceeds of RM17.49 million from the Public Issue is intended to be utilised in the following manner:

Details of utilisation of proceeds	Proposed utilisation RM'000	Percentage of utilisation %	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation⁽¹⁾
Research and development of new solutions	2,712	15.51	1,330	1,382	Within 36 months
Business expansion					
• Regional expansion in ASEAN countries	1,890	10.81	-	1,890	Within 36 months
• Establishing additional service hubs within Malaysia	2,634	15.06	1,166	1,468	Within 24 months
Expansion of customer technical support department	1,680	9.61	628	1,052	Within 24 months
Headquarter's expansion	3,000	17.16	-	3,000	Within 36 months
Working capital	2,833	16.20	2,833	-	Within 24 months
Estimated listing expenses	2,736	15.65	2,736	-	Within 1 month
	17,485	100.00	8,693	8,792	

Note:

(1) From the date of listing of the Company on 27 November 2023.

B10. Material Litigations

There were no material litigations by or against the Group as at 31 March 2025.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B11. Dividend Declarations

On 24 February 2025, the Board proposed to declare a final single-tier dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2024 and the shareholders have approved this during the Annual General Meeting that was convened on 26 May 2025. The entitlement date and payment date are on 11 June 2025 and 26 June 2025 respectively.

B12. Earnings Per Share

The basic and diluted EPS for the current financial quarter under review and financial period-to-date are computed as follows:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to ordinary equity holders of the Company	1,391	2,945	1,391	2,945
Weighted average number of ordinary shares in issue ('000) ⁽¹⁾	671,187	671,187	671,187	671,187
Weighted average number of diluted ordinary shares in issue ('000) ⁽²⁾	671,187	671,187	671,187	671,187
Basic EPS (sen) ⁽¹⁾	0.21	0.44	0.21	0.44
Diluted EPS (sen) ⁽²⁾	0.21	0.44	0.21	0.44

Notes:

(1) Basic EPS is calculated based on the weighted average number of ordinary shares of the Company of 671,187,000 as at 31 March 2025 (31 March 2024: 671,187,000).

(2) There are no dilutive instruments as at the end of the period ended 31 March 2025.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B13. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following items have been charged/(credited) in arriving at the profit before tax for the current financial quarter and the profit before tax for the financial period-to-date:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
After charging:				
Allowance for impairment losses on:				
- inventories	2	-	2	-
- trade receivables	170	205	170	205
Amortisation of intangible assets	39	-	39	-
Depreciation of:				
- property, plant and equipment	66	63	66	63
- right-of-use assets	38	17	38	17
Interest expense on lease liabilities	4	3	4	3
And crediting:				
Interest income	(247)	(206)	(247)	(206)
Reversal of impairment losses on inventories	-	(7)	-	(7)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements are not applicable.

B14. Authorisation for Issue

This interim financial report was authorised for issue by the Board on 26 May 2025.