INFOLINE TEC GROUP BERHAD
Registration No. 202101032489 (1432789-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FIRST QUARTER ENDED 30 JUNE 2025

27 AUGUST 2025

INFOLINE TEC GROUP BERHAD
(Registration No. 202101032489) (1432789-M))
(Incorporated in Malaysia)

INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

	INDIVIDUAL QUARTER 3 MONTHS ENDED		**CUMULATIVE QUARTER 3 MONTHS ENDED**	
	UNAUDITED 30 June 2025 RM'000	**UNAUDITED 30 June 2024 RM'000**	**UNAUDITED 30 June 2025 RM'000**	**UNAUDITED 30 June 2024 RM'000**
Revenue	17,547	-	17,547	-
Cost of sales	(11,659)	-	(11,659)	-
Gross profit	5,888	-	5,888	-
Other income	315	-	315	-
Administrative expenses	(5,308)	-	(5,308)	-
Other expenses	(1,844)	-	(1,844)	-
Finance costs	(5)	-	(5)	-
Loss before tax	(954)	-	(954)	-
Income tax	(29)	-	(29)	-
Loss after tax attributable to the owners of the Company	(983)	-	(983)	-
Other comprehensive expenses - Foreign currency translation differences	(287)	-	(287)	-
Total comprehensive expenses for the period attributable to the owners of the Company	(1,270)	-	(1,270)	-
Basic loss per share (sen)	(0.27)	-	(0.27)	-
Diluted loss per share (sen)	(0.27)	-	(0.27)	-

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2025 and the accompanying explanatory notes attached to these interim financial statements.

INFOLINE TEC GROUP BERHAD
(Registration No. 202101032489) (1432789-M))
(Incorporated in Malaysia)

INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	UNAUDITED AS AT 30 June 2025 RM'000	AUDITED AS AT 31 March 2025 RM'000
ASSETS		
Non-current assets		
Equipment	13,449	12,290
Right-of-use assets	796	545
Deferred tax assets	2,131	2,102
Goodwill	3,448	3,448
	19,824	**18,385**
Current assets		
Inventories	2,779	2,849
Contract cost assets	11,481	14,081
Contract assets	180	
Trade receivables	16,515	16,329
Other receivables, deposits and prepayments	4,425	3,746
Current tax assets	3,882	2,682
Short-term investments	9,265	17,350
Cash and bank balances	15,760	14,115
	64,287	**71,152**
Total assets	**84,111**	**89,537**
EQUITY AND LIABILITIES		
Equity		
Share capital	36,935	36,935
Retained profits	34,880	35,843
Reserves	(12,307)	(12,020)
Total equity	**59,508**	**60,758**
Non-current liabilities		
Contract liabilities	2,547	3,412
Lease liabilities	424	173
Other payables and accruals	1,447	1,448
Deferred tax liabilities	26	29
	4,444	**5,062**

**INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2025**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025 (CONT'D)

	UNAUDITED AS AT 30 June 2025 RM'000	**AUDITED AS AT 31 March 2025 RM'000**
Current Liabilities		
Trade payables	4,845	7,884
Other payables and accruals	3,783	3,896
Contract liabilities	10,950	11,194
Lease liabilities	387	392
Current tax liabilities	194	351
	20,159	**23,717**
Total liabilities	**24,603**	**28,779**
Total equity and liabilities	**84,111**	**89,537**
Net assets per share attributable to owners of the Company (RM)	0.16	0.17

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2025 and the accompanying explanatory notes attached to these interim financial statements.

INFOLINE TEC GROUP BERHAD
(Registration No. 202101032489) (1432789-M))
(Incorporated in Malaysia)

INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

		Non-Distributable			Distributable	
	Share Capital RM'000	Foreign Exchange Translation Reserve RM'000	Statutory Reserve RM'000	Merger Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
Balance as at 1 April 2025	36,935	(409)	361	(11,972)	35,863	60,778
Distributions to owners of the Company:						
Dividend paid	-	-	-	-	-	-
Total transaction with owners	-	-	-	-	-	-
Loss for the financial period	-	-	-	-	(983)	(983)
Foreign exchange translation	-	(287)	-	-	-	(287)
Total comprehensive income	-	(287)	-	-	(983)	(1,270)
Transfer to statutory reserve	-	-	-	-	-	-
Balance as at 30 June 2025	36,935	(696)	361	(11,972)	34,880	59,508

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2025 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

	CURRENT PERIOD TO DATE	PRECEDING PERIOD TO DATE
	UNAUDITED 30 June 2025 RM'000	UNAUDITED 30 June 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(954)	-
Adjustments for:		
Allowance for impairment losses on inventories	5	-
Depreciation of equipment	1,145	-
Depreciation of right-of-use assets	(187)	-
Fair value gain on short-term investments	(1)	-
Interest expense	5	-
Interest income	(119)	-
Unrealised loss on foreign exchange	461	-
Operating profit before working capital changes	**355**	**-**
Decrease in inventories	128	-
Increase in trade and other receivables	(714)	-
Decrease in trade and other payables	(3,223)	-
Decrease in contract cost assets	2,470	-
Decrease in contract liabilities	(1,165)	-
Cash used in operations	**(2,149)**	**-**
Income tax paid	(1,460)	-
Income tax refund	9	-
NET CASH FOR OPERATING ACTIVITIES	**(3,600)**	**-**
CASH FLOWS FOR INVESTING ACTIVITIES		
Addition of short-term investments	1	-
Purchase of equipment	(2,305)	-
Interest received	119	-
NET CASH FOR INVESTING ACTIVITIES	**(2,185)**	**-**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025 (CONT'D)

	CURRENT PERIOD TO DATE	PRECEDING PERIOD TO DATE
	UNAUDITED 30 June 2025 RM'000	UNAUDITED 30 June 2024 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(5)	-
Repayment of lease liabilities	181	-
NET CASH FOR FINANCING ACTIVITIES	**176**	**-**
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(5,609)**	**-**
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(830)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	31,464	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	**25,025**	**-**

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2025 and the accompanying explanatory notes attached to these interim financial statements.

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The interim financial report of Infoline Tec Group Berhad ("**Infoline Tec**" or the "**Company**") and its subsidiaries (collectively, the "**Group**") is unaudited and had been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards ("**MFRSs**") 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 March 2025.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed interim financial report are consistent with the audited financial statements of the Group for the financial period ended 31 March 2025.

Statement of compliance

The unaudited interim financial statements of the Group have been prepared in accordance with the MFRSs and International Financial Reporting Standards ("**IFRSs**").

The Group has adopted the following new MFRSs, amendments/improvements to MFRSs and new IC Interpretations that are mandatory for the current financial year:

<u>MFRSs and/or IC Interpretations</u>

MFRS 121: Lack of Exchangeability
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
Amendments to MFRS 101: Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's combined financial statements.

A1 Basis of preparation (continued)

Amendments/Improvements to MFRSs

The Group has not adopted the following new MFRSs and amendments/improvements to MFRSs that have been issued, but yet to be effective:

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

The Group plans to adopt the above applicable new MFRSs and amendments/ improvements to MFRSs when they become effective and that the adoption of these standards and amendments are not expected to have any material impact on the financial statements of the Group in the year of initial application.

A2 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the financial period ended 31 March 2025 was not qualified.

A3 Seasonal or cyclical factors

The Group's operations were not subjected to any significant seasonal or cyclical factors.

A4 Material unusual items

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

A5 Changes in estimates

There were no changes in the nature and estimates of amounts reported which have a material effect on the results for the financial period under review.

A6 Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

A7 Dividend paid

No dividend was paid during the quarter under review.

A8 Segment information

The segmental analysis of the Group's revenue and results by business segments are as follows:

	Individual Quarter 3 months ended 30 June 2025		Cumulative Quarter 3 months ended 30 June 2025	
	Unaudited	Unaudited	Unaudited	Unaudited
	External revenue RM'000	Loss before tax RM'000	External revenue RM'000	Profit/(Loss) before tax RM'000
IT Infrastructure Solutions	9,604	(978)	9,604	(978)
Cybersecurity Solutions	3,137	(546)	3,137	(546)
Managed IT Services and IT Services	4,107	644	4,107	644
Trading of Ancillary Hardware and Software	699	(74)	699	(74)
	17,547	(954)	17,547	(954)

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

A9 Valuation of property, plant and equipment

The Group did not carry out any valuation on its property, plant and equipment in the current quarter.

A10 Material events subsequent to the end of the quarter

There was no material event during the current financial quarter under review that has not been reflected in the condensed consolidated interim financial report.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A12 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets in the Group for the quarter under review.

A13 Capital commitments

There were no capital commitments in the Group for the quarter under review.

A14 Related party transactions

There were no material related party transactions during the quarter under review.

	Individual Quarter 3 months ended		**Cumulative Quarter 3 months ended**	
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	30 June 2025 RM'000	**30 June 2024 RM'000**	**30 June 2025 RM'000**	**30 June 2024 RM'000**
Rental expenses paid to Director of the Company	13	-	13	-
Rental expenses paid to company controlled by Director of the Company	21	-	21	-
Rental expenses paid to related party of the Company	20	-	20	-

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

A15 Fair value information

There was no gain or loss arising from fair value changes of the Group's financial liabilities for the current quarter under review.

B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MAIN MARKET

B1 Review of performance

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30 June 2025 RM'000	30 June 2024 RM'000	30 June 2025 RM'000	30 June 2024 RM'000
Revenue	17,547	-	17,547	-
Gross profit	5,888	-	5,888	-
Loss before tax ("**LBT**")	(954)	-	(954)	-
Loss after tax	(983)	-	(983)	-

Current/cumulative quarter

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

B2 Comparison with immediate preceding quarter's results

	Current Quarter	Preceding Quarter
	30 June 2025 RM'000	31 March 2025 RM'000
Revenue	17,547	12,846
Gross profit	5,888	3,964
Loss before tax ("**LBT**")	(954)	(3,619)
Loss after tax	(983)	(3,241)

The Group recorded revenue of RM17.55 million during the quarter under review which was higher compared to RM12.85 million in the immediate preceding quarter ended 31 March 2025. The increase in the revenue was mainly due to higher contribution from managed IT services and IT services, increase in completion and delivery of IT infrastructure solutions projects and trading of ancillary hardware and software in comparison with the immediate preceding quarter ended 31 March 2025.

The Group reported a gross profit margin of 33.56% for the quarter under review, a slight increase compared to 30.86% in the immediate preceding quarter ended 31 March 2025 as the Group was able to secure projects with higher margins during the current quarter under review compared to the preceding quarter.

In addition, there is an increase in other income and decrease in administrative expenses, combined with higher overall revenue and gross profit margin. As a result, the Group recorded a lower LBT of approximately RM0.95 million, compared to a LBT of RM3.62 million in the immediate preceding quarter.

B3 Prospects

Capitalizing on the accelerating digital transformation sweeping across Asia, the Group is strategically positioned to harness the immense growth potential in key markets such as Malaysia, Singapore, India, and China. These regions are witnessing rapid technological adoption, driven by government-led digital initiatives, expanding digital infrastructure, rising internet penetration, and a growing base of tech-savvy consumers and enterprises. In Malaysia, national programs like the MyDigital initiative are fostering a robust digital economy. Singapore continues to solidify its status as a regional technology and innovation hub, with strong investments in smart nation infrastructure. India's digital ecosystem is booming, supported by widespread mobile connectivity, a thriving startup culture, and progressive policies such as Digital India. Meanwhile, China remains at the forefront of technological innovation, particularly in areas like artificial intelligence ("AI"), 5G, and cloud computing. By leveraging its deep regional expertise, established client relationships, and localized service delivery models, the Group is well-equipped to capture emerging opportunities across these dynamic markets and sustain a long-term competitive advantage in the evolving digital landscape.

The global IT services market, valued at USD 1.5 trillion in 2024, is projected to grow at a CAGR of 9.4% from 2025 to 2030, driven by demand for AI, data analytics, and intelligent automation. Concurrently, the cybersecurity market—valued at USD 245.6 billion in 2024—is expected to expand at 12.9% CAGR, supported by rising cyber threats and regulatory pressures.

In addition, increasing focus on sustainability and green IT is driving adoption of energy-efficient cloud and data centre solutions. The Group is aligning its innovation strategy with these priorities, investing in scalable, secure, and sustainable technologies to support long-term growth.

While macroeconomic and geopolitical uncertainties persist, the Group's diversified portfolio, operational agility, and focus on high-growth areas position it well to navigate challenges and sustain its competitive advantage. The Board of Directors is confident in the strategic vision and execution capability of the management team. By maintaining a forward-looking approach, fostering innovation, and staying closely aligned with global technological trends and client needs, the Group is well-positioned to navigate uncertainties, seize new opportunities, and sustain its leadership in the global IT services landscape.

B4 Taxation

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	Unaudited 30 June 2025 RM'000	**Unaudited 30 June 2024 RM'000**	**Unaudited 30 June 2025 RM'000**	**Unaudited 30 June 2024 RM'000**
Income tax expense:				
Current financial period/year	(61)	-	(61)	-
Under- in prior years	(1)	-	(1)	-
	(62)	-	(62)	-
Movement in deferred tax:				
Origination and reversal of temporary differences	33	-	33	-
Under provision in prior years	-	-	-	-
	33	-	33	-
Total tax expense	(29)	-	(29)	-
Effective tax rate[(1)]	-3.0%	-	-3.0%	-

B4 Taxation (continued)

Note:
(1) The effective tax rate for the current quarter is in negative due to higher expenses not deductible for tax purposes compared to the deferred tax impact resulting in tax expenses for the current quarter.

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

B5 Status of corporate proposals announced but not completed

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

B6 Borrowings

The Group has no borrowings as at 30 June 2025.

B7 Profit forecast / Profit guarantee

The Group did not issue any profit forecast or profit guarantee in any public documents.

B8 Material litigation

The Group has no outstanding material litigation as at the date of this interim report.

B9 Dividend

No dividends had been declared in respect of the current quarter under review.

B10 Loss per share

The basic and diluted loss per share for the current quarter is calculated as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Loss attributable to owners of the Company (RM'000)	(983)	-	(983)	-
Weighted average number of Shares in issue ('000)	363,229	-	363,229	-
Basic loss per Share (sen) [(1)]	(0.27)	-	(0.27)	-
Diluted loss per Share (sen) [(1)]	(0.27)	-	(0.27)	-

Note:
(1) Basic and diluted loss per share is calculated by dividing the loss after tax attributable to owners of the Company by the weighted average number of Shares in issue during the financial period under review.

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

B11 Loss before tax

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	30 June 2025 RM'000	**30 June 2024 RM'000**	**30 June 2025 RM'000**	**30 June 2024 RM'000**
Loss before tax is arrived at after charging/(crediting):				
Allowance for impairment losses on inventories	5	-	5	-
Depreciation of equipment	1,145	-	1,145	-
Depreciation of right-of-use assets	(187)	-	(187)	-
Fair value gain on short-term investments	(1)	-	(1)	-
Interest expense	5	-	5	-
Interest income	(119)	-	(119)	-
Unrealised loss on foreign exchange	461	-	461	-

The financial year end of the Group has been changed from 31 December to 31 March for the financial period of 2024. The previous reporting financial period was for a period of 15 months, made up from 1 January 2024 to 31 March 2025. As such, there are no comparative figures for the current three-month period ended 30 June 2025.

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

By order of the Board of Directors
Infoline Tec Group Berhad
27 August 2025