



HEITECH PADU BERHAD

[Registration No. 199401024950 (310628-D)]
(Incorporated in Malaysia)

**Unaudited Interim Financial Report
For the Quarter and Period Ended 30 June 2025**

HEITECH PADU BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2025

	Individual Quarter		Cumulative Quarter	
	2025	2024	2025	2024
	Current quarter ended 30 June	Comparative quarter ended 30 June	6 months cumulative to date	Comparative 6 months cumulative to date
	RM'000	RM'000	RM'000	RM'000
Revenue	84,898	63,268	158,777	124,901
Other Income	601	408	1,330	748
Total Income	85,499	63,676	160,107	125,649
Employee Benefits Expense	(18,547)	(21,451)	(35,230)	(41,555)
Purchase of Hardware and Software	(23,458)	(10,448)	(42,568)	(20,564)
Lease Line Rental	(5,178)	(4,459)	(12,594)	(9,439)
Maintenance Costs	(3,269)	(5,083)	(4,768)	(8,465)
Bulk Mailing Processing Charges	(3,317)	(3,084)	(5,552)	(6,148)
Depreciation and amortisation	(3,036)	(3,700)	(6,313)	(7,278)
Net (impairment)/reversal of impairment of financial assets	(68)	-	1,300	-
Project Implementation Costs	(12,002)	(8,213)	(20,987)	(17,976)
Other Expenses	(6,623)	(5,210)	(11,909)	(10,688)
Total Expenditure	(75,498)	(61,648)	(138,621)	(122,113)
Profit before Finance Cost	10,001	2,028	21,486	3,536
Finance Cost	(1,287)	(1,262)	(2,660)	(2,269)
Profit before tax	8,714	766	18,826	1,267
Taxation	(626)	(216)	(799)	(486)
Profit for the year	8,088	550	18,027	781
Profit attributable to:				
Equity holders of the Parent	8,088	449	18,057	581
Non-controlling interests	-	101	(30)	200
	8,088	550	18,027	781
Number of Ordinary Shares	111,348	106,388	111,348	106,388
Profit per share attributable to equity holders of the parents:				
Basic profit for the period	7.26	0.42	16.22	0.55
Unaudited Condensed Consolidated Statement of Comprehensive Income				
Shareholders' Funds	8,088	550	18,027	781
Foreign currency translation	-	15	-	15
Total comprehensive income	8,088	565	18,027	796
Total comprehensive income				
Equity holders of the Parent	8,088	365	18,057	596
Minority Interest	(0)	200	(30)	200
	8,088	565	18,027	796

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Accounts for the year ended 31/12/2024. The document forms part of quarterly announcement for quarter ended 30/06/2025.

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

	Unaudited 2025 As at 30 June RM'000	Audited 2024 As at 31 December RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	115,951	119,067
Right-of-use assets	7,560	6,271
Intangible assets	14,539	15,051
Investment in joint operation	243	243
Other investments	3,080	3,080
Contract cost assets	658	901
Lease receivables	25,528	34,136
TOTAL NON-CURRENT ASSETS	167,559	178,749
CURRENT ASSETS		
Inventories	88	26
Trade and other receivables	108,234	53,898
Contract assets	129,503	107,359
Contract costs assets	155,492	135,386
Prepayments	4,313	1,141
Tax recoverable	751	3,697
Cash and bank balances	90,367	52,163
Lease receivables	17,975	18,578
TOTAL CURRENT ASSETS	506,723	372,248
CURRENT LIABILITIES		
Contract liabilities	10,497	11,511
Loans and borrowings	293,425	188,329
Trade and other payables	121,118	117,708
Tax payable	481	306
Lease liabilities	16,164	16,298
TOTAL CURRENT LIABILITIES	441,685	334,152
NET CURRENT ASSETS	65,038	38,096
	232,597	216,845
FINANCED BY:		
Share capital	136,652	136,652
Foreign currency translation reserve	(1,190)	(1,190)
Revaluation reserve	53,182	53,182
Retained earnings/(accumulated losses)	3,048	(15,009)
Shareholders' equity	191,692	173,635
Non-controlling interests	8,193	8,623
Shareholders' Funds	199,885	182,258
NON-CURRENT LIABILITIES		
Deferred tax liabilities	2,548	2,559
Long term borrowings	9,179	5,775
Lease liabilities	20,985	26,253
Non-current liabilities	32,712	34,587
	232,597	216,845
Net asset per share attributable to ordinary equity holders of the parent (RM)	1.67	1.49

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Accounts for the year ended 31/12/2024. The document forms part of quarterly announcement for quarter ended 30/06/2025.

HEITECH PADU BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2025

	Non -Distributable			Distributable		Non-Controlling Interests	Total
	Share capital	Foreign Currency Translation Reserve	Revaluation Reserve	Retained Earnings/(Accumulated losses)	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
For the period ended 30 June 2025							
At 1 January 2025	136,652	(1,190)	53,182	(15,009)	173,635	8,623	182,258
Total comprehensive income for the period	-	-	-	18,057	18,057	(30)	18,027
Transaction with owners							
Dividend paid to minority interest	-	-	-	-	-	(400)	(400)
At 30 June 2025	136,652	(1,190)	53,182	3,048	191,692	8,193	199,885
For the period ended 30 June 2024							
At 1 January 2024	117,751	(1,204)	50,236	(21,930)	144,853	8,671	153,524
Total comprehensive income for the period	-	15	-	581	596	200	796
Transaction with owners							
Dividend paid to minority interest	-	-	-	-	-	(200)	(200)
Increase in share capital	8,932				8,932		8,932
At 30 June 2024	126,683	(1,189)	50,236	(21,349)	154,381	8,671	163,052

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Accounts for the year ended 31/12/2024. The document forms part of quarterly announcement for quarter ended 30/06/2025.

HEITECH PADU BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD
ENDED 30 JUNE 2025

	Period ended 30 June 2025 RM'000	Year ended 31 December 2024 RM'000
OPERATING ACTIVITIES		
Profit before tax	18,826	5,527
Adjustments for:		
Depreciation of property, plant and equipment	3,646	8,136
Depreciation of right-of-use assets	1,816	3,888
Finance costs on:		
- loans and borrowing	2,026	4,961
- lease liability	634	669
Impairment loss on:		
- trade receivables	54	1,409
- other receivables	-	2,864
- investment in associates	-	1,141
- intangible assets	-	1,702
- contract cost assets	-	2,475
Reversal of impairment loss on:		
- trade receivables	(1,354)	(176)
Inventories written down	-	37
Amortisation of intangible assets	836	2,624
Amortisation of contract cost asset	15	-
Gain on disposal of property, plant and equipment	-	(40)
Gain on disposal asset held for sale	-	(10,170)
Hibah income	(238)	(552)
Gain on lease modification	-	150
Finance income on lease receivables	(562)	(785)
Written off on:		
- software development cost	-	82
Operating cash flows before changes in working capital	25,699	23,942
<u>Changes in working capital</u>		
Inventories	(62)	161
Trade and other receivables	(51,687)	(15,526)
Contract assets	(38,409)	(72,096)
Contract costs assets	(16,088)	(50,739)
Prepayments	(3,172)	(4)
Contract liabilities	18,296	(131)
Trade and other payables	773	31,638
Cash flows used in operations	(64,650)	(82,755)
Interest received	562	785
Interest paid	-	(669)
Tax refund	2,810	-
Tax paid	-	(1,317)
Net cash flows used in operating activities	(61,278)	(83,956)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(530)	(22,742)
Hibah received	238	552
Proceeds from disposal of property, plant and equipment	-	231
Software development costs incurred	(325)	(748)
Investment in a joint venture	-	(415)
Proceed from disposal of assets held for sale	-	13,955
Net cash flows used in investing activities	(617)	(9,167)
FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	-	18,901
Net proceeds from loans and borrowings	100,954	64,489
Net deposit (placement)/upliftment to securities for bank borrowings	(18,305)	2,194
Payment of lease liabilities	(8,772)	(18,632)
Dividend paid to non-controlling interest	(400)	(400)
Lease payment received	9,212	19,321
Interest paid	(2,026)	(4,961)
Net cash flows generated from financing activities	80,663	80,912
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	18,768	(12,211)
Effect of exchange rate changes on cash and cash equivalents	-	14
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(2,119)	10,078
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	16,649	(2,119)
CASH & CASH EQUIVALENTS COMPRISE:		
Cash at banks and on hand	51,509	31,610
Deposits with licensed banks	38,858	20,553
Bank overdrafts	(34,860)	(33,729)
Deposit pledged as securities for bank borrowings	(38,858)	(20,553)
	16,649	(2,119)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Accounts for the year ended 31/12/2024. The document forms part of quarterly announcement for quarter ended 30/06/2025.

**UNAUDITED RESULTS FOR
THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

Notes to The Financial Statements

1. BASIS OF PREPARATION

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting, the International Accounting Standard ("IAS") 34 Interim Financial Reporting and the requirements of the Companies Act 2016 in Malaysia, where applicable. This Condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024. The explanatory notes attached to the Condensed Report provide explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

2. ACCOUNTING POLICIES

2.1 Adoption of Amendments to Standards

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2024, except for the Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates-Lack of Exchangeability which was adopted at the beginning of the current financial period. This pronouncement does not have any material impact to the Group's financial statements for the current financial period.

2.2 Standards issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB"), but are not yet effective to the Group.

Effective for financial periods beginning on or after 1 January 2026

- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures -
Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to MFRS Accounting Standards - Volume 11
- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures -
Contracts Referencing Nature-dependent Electricity

Effective for financial periods beginning on or after 1 January 2027.

- MFRS 18 Presentation and Disclosure in Financial Statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective date of these Amendments to Standards has been deferred, and yet to be announced

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above pronouncements are either not relevant or do not have any material impact on the Group's financial statements.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2024 was unmodified.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group are not significantly affected by seasonality or cyclical factors.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

Other than disclosed in the financial statements, there were no unusual items affecting the financial statements for the financial period under review.

6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that materially affect the financial statements for the financial period under review.

7. DEBTS AND EQUITY SECURITIES

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

8. DIVIDENDS PAID

There was no dividend paid in the financial period under review.

9. VALUATION OF PROPERTY, PLANT & EQUIPMENT

The Group has not carried out any valuation on its property, plant and equipment in the current financial period under review.

10. CONTINGENT LIABILITIES

There were no contingent liabilities for the Group as at 18 August 2025 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

11. CAPITAL COMMITMENT

The amount of commitments for purchase of property, plant & equipment not provided for in the financial statements for the period ended 30 June 2025 are as follows:

RM'000

Approved and contracted for

34

12. CHANGES IN THE COMPOSITION OF THE GROUP

There was no change to the composition of the Group for the current quarter under review.

13. SEGMENTAL REPORTING

The segmentation of the Group has been redefined based on its organizational structure to better reflect the decision-making processes and challenges faced by various entities and ensuring a more streamlined approach to address distinct operational needs within the Group.

1. Public Sector Group (PBG)

PBG business offerings are mainly focusing on system integration, application development and infrastructure managed services for the Public Agencies Sector.

2. Private Sector Group (PSG)

PSG business offerings are mainly focusing on system integration and infrastructure managed services for the Private and Government Link Company Sector.

3. Investments Group (IG)

IG represents various offerings in different sectors like commercials, small and medium enterprises, local councils and state governments by the Group's subsidiaries. The focus offerings are other than the system integration and infrastructure managed services such as bulk mailing and outsourcing services, automotive/insurance claims platform services, mobile application, cooperative, smart council systems, smart parking services, renewable energy and e-Driving.

For the year ended 30 June 2025	PBG	PSG	IG	Consolidation Adjustments	Consolidated
	RM '000	RM '000	RM '000	RM '000	RM '000
REVENUE					
External	92,955	39,455	26,920	(553)	158,777
RESULT					
Profit/(loss) profit after tax	20,900	2,109	(4,276)	(706)	18,027
Non-controlling interest	-	-	(30)	-	(30)
Profit/(loss) attributable to equity holders of the Parent (PATAMI)	20,900	2,109	(4,246)	(706)	18,057

For the year ended 30 June 2024	PBG	PSG	IG	Consolidation Adjustments	Consolidated
	RM '000	RM '000	RM '000	RM '000	RM '000
REVENUE					
External	45,371	50,238	30,007	(715)	124,901
RESULT					
Profit/(loss) after tax	1,957	4,264	(4,893)	(547)	781
Non-controlling interest	-	-	200	-	200
Profit/(loss) attributable to equity holders of the Parent (PATAMI)	1,957	4,264	(5,093)	(547)	581

14. REVIEW OF PERFORMANCE

The Group recorded higher revenue of RM158,777,000 for the period ended 30 June 2025, an increase by RM33,876,000 from revenue of RM124,901,000 for the period ended 30 June 2024.

As a result, the Group recorded profit before taxation and profit after taxation of RM18,826,000 and RM18,027,000 respectively for the period ended 30 June 2025, compared to profit before taxation and profit after taxation of RM1,267,000 and RM781,000 for the period ended 30 June 2024.

15. COMPARISONS WITH PRECEDING QUARTER'S RESULTS

The Group recorded a higher revenue at RM84,898,000 for the current quarter ended 30 June 2025 as compared to RM73,879,000 in the preceding quarter ended 31 March 2025.

As a result, the Group recorded profit before taxation of RM8,714,000 and profit after taxation RM8,088,000 respectively for the quarter ended 30 June 2025, compared to profit before taxation of RM10,112,000 and profit after taxation of RM9,939,000 for the quarter ended 31 March 2025.

16. COMMENTARY ON PROSPECTS

According to Bank Negara Malaysia Economic and Financial Developments in Malaysia in the Second Quarter of 2025, The Malaysian economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), driven by robust domestic demand. Household spending was higher amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salaries. Of significance, both private and public investments recorded stronger expansion, supported by the realisation of new and existing projects. In the external sector, export growth was slower due mainly to lower commodities-related exports. This was partially offset by continued electrical and electronics (E&E) exports and robust tourism activity. At the same time, import growth was higher, driven by strong demand for capital goods, reflecting higher investment activities. On the supply side, growth was driven by the services and manufacturing sectors. The services sector was supported by consumer-related and Government services. Steady growth in domestic-oriented clusters underpinned the performance in the manufacturing sector. Overall growth was weighed down by a contraction in the mining sector amid lower commodities production. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 2.1% (1Q 2025: 0.7%).

Headline inflation moderated to 1.3%, while core inflation remained stable at 1.8% (1Q 2025: 1.5% and 1.8%, respectively). The moderation was largely due to lower prices for fuel such as RON97 petrol and diesel (-0.6%; 1Q 2025: 0.3%) and slower price increases for food-related items (2.2%; 1Q 2025: 2.5%), particularly fresh food and food away from home. This was partly offset by a slower price decline for mobile communication services, averaging at -12.1% (1Q 2025: -13.5%). Inflation pervasiveness, measured by the share of Consumer Price Index (CPI) items recording monthly price increases, experienced a slight decline amid softer global commodity prices (41.8%; 1Q 2025: 43.3%). Nonetheless, it remained broadly in line with the long-term average for the second quarter (2Q 2011-2019: 43.9%).

All these will impact the Group's business. The Group shall continue to implement relevant strategies which include securing recurring business from existing customers while gaining new business from both existing and new markets.

17. VARIANCE ON FORECASTED PROFIT

Not applicable.

18. TAXATION

The taxation of the Group for the financial period under review is as follows:-

	Current Quarter 30/6/2025 RM'000	Accumulated Current Quarter 30/6/2025 RM'000
Current expenses on taxation	(626)	(799)

19. CORPORATE PROPOSAL

On 25 June 2025, that the Company has successfully obtained shareholders' approval at the Extraordinary General Meeting ("EGM") held on the same day for the following proposals:

- (i) Proposed bonus issue of 27,836,955 new ordinary shares in HeiTech ("Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 4 existing Shares held on an entitlement date to be determined and announced later ("Proposed Bonus Issue");
- (ii) Proposed diversification of the existing business of HeiTech and its subsidiaries to include the business of development, ownership, operation and maintenance of renewable energy power plant as well as related engineering, procurement, construction and commissioning services in relation to energy solutions; and
- (iii) Proposed private placement of up to 27,836,955 new Shares, representing up to 20% of the enlarged total number of issued Shares after the completion of the Proposed Bonus Issue.

(collective, the "Corporate Proposals").

Bonus Issue

On 13 May 2025, RHB Investment Bank ("RHB") had, on behalf of the Board, announced that HeiTech proposed to undertake a bonus issue of up to 27,836,955 Placement Shares on the Main Market of Bursa Securities.

On 9 June 2025, RHB had, on behalf of the Board, announced that vide its letter dated 9 June 2025, resolved to approve the listing of and quotation for 27,836,955 Bonus Shares to be issued pursuant to the Proposed Bonus Issue and up to 27,836,955 Placement Shares to be issued pursuant to the Proposed Private Placement.

On 11 July 2025, RHB had, on behalf of the Board, announced that Bonus Issue has been completed today following the listing of and quotation for 27,836,585 Bonus Shares (including 25 treasury shares) on the Main Market of Bursa Securities.

Private Placement

Private Placement of up to 27,826,955 New Ordinary Shares in HeiTech Padu Berhad ("HeiTech" or "Company"), representing up to 20% of total number of issued shares of HeiTech ("Private Placement").

Reference is made to the Company's announcements dated 9 May 2025, 13 May 2025, 9 June 2025, 25 June 2025, 10 July 2025 and 11 July 2025 as well as the circular to shareholders dated 10 June 2025 in relation to, among others, the Private Placement ("Circular"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

On 26 August 2025, the Company announced to fixed the issue price for the 1st tranche of the Private Placement at RM1.55 per Placement Share and the issue price of RM1.55 per Placement Share represents a discount of RM0.1671 or approximately 9.7% to the 5-day VWAMP of the Shares up to and including 25 August 2025 of RM1.7171 per Share.

20. GROUP BORROWINGS AND DEBT SECURITIES

As at 30 June 2025, the Group has the following borrowings which are denominated in Ringgit Malaysia from local financial institutions:-

Secured:	RM'000
<u>Short Term Borrowings</u>	
Hire purchase creditor due within 12 months	1,617
Other short term borrowings due within 12 months	291,808
	<u>293,425</u>
<u>Long Term Borrowings</u>	
Hire purchase creditor due after 12 months	3,239
Other long term borrowings due after 12 months	5,940
	<u>9,179</u>
Total	<u>302,604</u>

21. MATERIAL LITIGATION

a. Pertubuhan Keselamatan Sosial ("Plaintiff") vs HeiTech Padu Berhad ("Defendant")

On 28 February 2023, the Defendant received a Writ of Summons and Statement of Claim both dated 23 February 2023, filed by the Plaintiff at the High Court. Plaintiff is claiming that the Defendant in breach of the contract for services rendered to the Plaintiff in respect of the "Merekabentuk, Membangun, Membekal, Menghantar, Memasang, Mengintegrasikan, Menguji, Melatih, Deploy, Mentauliah Dan Waranti Bagi Sistem Aplikasi Scheme Management" (Designing, Developing, Supplying, Delivering, Installing, Integrating, Testing, Training, Deploying, Commissioning and Warranties for the Scheme Management Application System) ("Agreement").

The reliefs sought by Plaintiff in the action are as follows:

1. The sum of RM8,491,377.12 being payments previously made by the Plaintiff to the Defendant under the Agreement;
2. The sum of RM984,783.33 being the Liquidated Ascertained Damages ("LAD") imposed under the Agreement;
3. The sum of RM16,887,208.58 being loss of expenses for the existing system until August 2021;
4. Interest on all sums ordered to be paid by the Defendant to the Plaintiff at the rate of 5% per annum calculated from the date of judgement until the date of full settlement;
5. Costs; and
6. Such further relief and/or orders as the Honorable Court deems fit.

The Defendant in their Defence and Counterclaim seeks the following relief:-

1. The sum of RM6,615,157.61 for work done until the Plaintiff's unilateral termination on 25 June 2021;
2. The sum of RM6,539,141.39 being expectation loss as a result the said termination;
3. The sum of RM1,726,258.61 for the additional works done and supply of Hardware, Software and Services;
4. General damages to be assessed by this Honourable Court, where applicable;
5. Pre-judgment interest on all sum ordered to be paid by the Plaintiff to the Defendant at the rate of 5% per annum calculated from the date of termination of 25 June 2021 until the date of judgement;
6. Post-judgment interest on all sum ordered to be paid by the Plaintiff to the Defendant at the rate of 5% per annum calculated from the date of judgement until full settlement;
7. Costs; and
8. Any other reliefs that this Honourable Court deems fit and proper.

21. MATERIAL LITIGATION (CONT'D)

a. Pertubuhan Keselamatan Sosial ("Plaintiff") vs HeiTech Padu Berhad ("Defendant") (cont'd)

A Hearing was held on 9 August 2023 in relation to Defendant's application under Order 14A and Order 33 Rules of Court 2012: To Summarily Determine the Plaintiff's Claim ("Application"). On 21 March 2025, the Court was of the view that as there are multiple issues, the matter should proceed to trial and did not grant the Company's application for an Order 14A (Application for the Disposal of Case on Point of Law). The Court has scheduled the next Case Management on 11 June 2025 to update the Court on the filing of pre-trial documents and the Court has fixed the trial dates between 5 to 17 March 2026.

22. PROPOSED DIVIDEND

There was no dividend proposed for the financial period under review.

23. PROFIT PER SHARE

	Current Quarter 30/6/2025	Accumulated Current Quarter 30/6/2025
<u>a) Basic</u>		
Net profit attributable to ordinary equity holders of the parent company (RM'000)	8,088	18,057
Weighted average number of ordinary shares in issue ('000)	111,348	111,348
Basic profit per share (sen)	7.26	16.22
<u>b) Diluted</u>		

There is no transaction undertaken by the Group during the period that has a potential dilutive effect.

24. PROFIT BEFORE TAX

Included in the profit before tax are the following items:

	Current Quarter 30/6/2025 RM'000	Accumulated Current Quarter 30/6/2025 RM'000
Interest income	(128)	(238)
Interest expense		
- loans and borrowing	945	2,026
- lease liability	342	634
Depreciation of property, plant and equipment		
- property, plant and equipment	1,738	3,646
- right-of-use assets	993	1,816

24. PROFIT BEFORE TAX (CONT'D)

Included in the profit before tax are the following items (cont'd):

	Current Quarter 30/6/2025 RM'000	Accumulated Current Quarter 30/6/2025 RM'000
Amortisation of intangible assets		
- intangible assets	297	836
- project cost	8	15
Impairment loss on		
- trade receivables	54	54
Reversal of impairment loss on		
- trade receivables	14	(1,354)

25. SIGNIFICANT EVENTS

- a. On 10 April 2025, the Company entered into a Memorandum of Understanding ("MOU") with Maiyue Technology Limited ("MTL"), to collaborate in establishing a strategic partnership in the field of AI computing power cloud services. The two parties have agreed to integrate high-quality resources to jointly build an AI computing power center, providing efficient AI computing services for local users. The "AI cloud computing power" initiative delivers high-performance computing resources to internet service industry clients via 10-gigabit optical networks or serves household and individual end-users through client software over conventional internet connections ("Agreed AI Project").
- b. On 10 April 2025, the Company entered into a Memorandum of Understanding ("MOU") with Huawei Technologies (Malaysia) Sdn Bhd ("Huawei") and MY E.G. Services Berhad ("MyEG") in relation to working together for the purposes of Cloud and AI enabled smart government services cooperation. The MOU is effective immediately from the date of the execution of the MOU and shall remain in effect for a period of twelve (12) months from the date of the MOU unless earlier termination based on the terms stated in the MOU.
- c. On 9 May 2025, the Company announced the proposals of the following:
 - (i) Proposed diversification of the existing business of HeiTech and its subsidiaries to include the business of development, ownership, operation and maintenance of renewable energy power plant as well as related engineering, procurement, construction and commissioning services in relation to energy solutions;
 - (ii) Proposed bonus issue of 27,836,955 new ordinary shares in HeiTech ("Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 4 existing Shares held on an entitlement date to be determined and announced later ("Proposed Bonus Issue"); and
 - (iii) Proposed private placement of up to 27,836,955 new Shares, representing up to 20% of the enlarged total number of issued Shares after the completion of the Proposed Bonus Issue.

26. SUBSEQUENT EVENTS

- a. On 30 July 2025, a 65% owned subsidiary, Domainedge Sdn. Bhd. ("Domainedge"), received the approval letter for Feed-in Tariff ("FiT") from SEDA to undertake the development of small hydro power plants with an installed capacity of 2.850 MW in Sungai La Hydro Plant, Terengganu ("Project"). The Project is expected to be completed by 25 July 2030 which is the scheduled FiT commencement date from 25 July 2030 up to the end of the effective period of 21 years.
- b. On 4 August 2025, the Company entered into a Supplemental Agreement ("the Supplemental Agreement") to the Teaming Agreement dated 15 April 2024 ("Principal Agreement") with Zetrix AI Berhad (formerly known as MY E.G. Services Berhad) ("Zetrix") to further define the role and expertise of the parties in relation to the Information Technology industry in Malaysia subject to and upon the terms and conditions of the Supplemental Agreement.

By Order of the Board

ZAINAL AMIR BIN AHMAD (LS0010080)

Company Secretaries