INFOLINE TEC GROUP BERHAD

Registration No. 202101032489 (1432789-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

SECOND QUARTER ENDED 30 SEPTEMBER 2025

26 NOVEMBER 2025

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

INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2025

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED		**CUMULATIVE QUARTER 3 MONTHS ENDED**	
	UNAUDITED 30 September 2025 RM'000	**UNAUDITED 30 September 2024 RM'000**	**UNAUDITED 30 September 2025 RM'000**	**UNAUDITED 30 September 2024 RM'000**
Revenue	17,568	-	35,115	-
Cost of sales	(12,403)	-	(24,062)	-
Gross profit	5,165	-	11,053	-
Other income	128	-	443	-
Administrative expenses	(5,285)	-	(10,593)	-
Other expenses	(1,223)	-	(3,067)	-
Finance costs	(8)	-	(13)	-
Assets and contract assets	(230)		(230)	
Loss before tax	(1,453)	-	(2,407)	-
Income tax	132	-	103	-
Loss after tax attributable to the owners of the Company	(1,321)	-	(2,304)	-
Other comprehensive expenses				
- Foreign currency translation differences	(258)	-	(545)	-
Total comprehensive expenses for the period attributable to the owners of the Company	(1,579)	-	(2,849)	-
Basic loss per share (sen)	(0.36)	-	(0.63)	-
Diluted loss per share (sen)	(0.36)	-	(0.63)	-

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 September 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 SECOND QUARTER ENDED 30 SEPTEMBER 2025

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

	UNAUDITED AS AT 30 September 2025 RM'000	AUDITED AS AT 31 March 2025 RM'000
ASSETS		
Non-current assets		
Equipment	12,996	12,290
Right-of-use assets	847	545
Deferred tax assets	2,213	2,102
Goodwill	3,448	3,448
	19,504	**18,385**
Current assets		
Inventories	2,726	2,849
Contract cost assets	10,578	14,081
Contract assets	1,836	-
Trade receivables	20,448	16,329
Other receivables, deposits and prepayments	6,218	3,746
Current tax assets	4,795	2,682
Short-term investments	7,127	17,350
Cash and bank balances	9,670	14,115
	63,398	**71,152**
Total assets	**82,902**	**89,537**
EQUITY AND LIABILITIES		
Equity		
Share capital	36,935	36,935
Retained profits	33,559	35,843
Reserves	(12,565)	(12,020)
Total equity	**57,929**	**60,758**
Non-current liabilities		
Contract liabilities	2,621	3,412
Lease liabilities	459	173
Other payables and accruals	-	1,448
Deferred tax liabilities	22	29
	3,102	**5,062**

**INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2025**

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

	UNAUDITED AS AT 30 September 2025 RM'000	AUDITED AS AT 31 March 2025 RM'000
Current Liabilities		
Trade payables	6,516	7,884
Other payables and accruals	3,721	3,896
Contract liabilities	11,046	11,194
Lease liabilities	403	392
Current tax liabilities	185	351
	21,871	**23,717**
Total liabilities	**24,973**	**28,779**
Total equity and liabilities	**82,902**	**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 SECOND QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	-	(2,304)	(2,304)
Foreign exchange translation	-	(545)	-	-	-	(545)
Total comprehensive income	-	(545)	-	-	(2,304)	(2,849)
Transfer to statutory reserve	-	-	-	-	-	-
Balance as at 30 September 2025	36,935	(954)	361	(11,972)	33,559	57,929

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 six-month period ended 30 September 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.

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

INTERIM REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2025

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

	CURRENT PERIOD TO DATE	**PRECEDING PERIOD TO DATE**
	UNAUDITED	**UNAUDITED**
	30 September 2025	**30 September 2024**
	RM'000	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,407)	-
Adjustments for:		
Allowance for impairment losses on		-
inventories	5	
trade receivables	230	
Depreciation of equipment	2,199	-
Depreciation of right-of-use assets	(211)	-
Fair value gain on short-term investments	(5)	-
Interest expense	14	-
Interest income	(220)	-
Unrealised loss on foreign exchange	440	-
Operating profit before working capital changes	**45**	**-**
Decrease in inventories	233	-
Increase in trade and other receivables	(6,532)	-
Decrease in trade and other payables	(3,123)	-
Decrease in contract cost assets	1,788	-
Decrease in contract liabilities	(1,050)	-
Cash used in operations	**(8,639)**	**-**
Income tax paid	(2,417)	-
Income tax refund	52	-
NET CASH FOR OPERATING ACTIVITIES	**(11,004)**	**-**
CASH FLOWS FOR INVESTING ACTIVITIES		
Addition of short-term investments	5	-
Purchase of equipment	(2,914)	-
Interest received	220	-
NET CASH FOR INVESTING ACTIVITIES	**(2,689)**	**-**

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

	CURRENT PERIOD TO DATE	PRECEDING PERIOD TO DATE
	UNAUDITED	UNAUDITED
	30 September 2025	30 September 2024
	RM'000	RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(14)	-
Repayment of lease liabilities	201	-
Amount due to outsider	2	
NET CASH FOR FINANCING ACTIVITIES	**189**	**-**
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(13,504)**	**-**
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(1,164)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	31,465	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**16,797**	**-**

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 six-month period ended 30 September 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
Amendments to 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		Cumulative Quarter 6 months ended	
	30 September 2025		30 September 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	8,735	(1,076)	18,339	(2,049)
Cybersecurity Solutions	5,167	(1,054)	8,304	(1,614)
Managed IT Services and IT Services	3,103	689	7,210	1,341
Trading of Ancillary Hardware and Software	563	(12)	1,262	(85)
	17,568	(1,453)	35,115	(2,407)

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 six-month period ended 30 September 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 6 months ended	
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	30 September 2025 RM'000	**30 September 2024 RM'000**	**30 September 2025 RM'000**	**30 September 2024 RM'000**
Rental expenses paid to Director of the Company	14	-	27	-
Rental expenses paid to company controlled by Director of the Company	21	-	42	-
Rental expenses paid to related party of the Company	20	-	39	-

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 six-month period ended 30 September 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 6 months ended	
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	30 September 2025 RM'000	**30 September 2024 RM'000**	**30 September 2025 RM'000**	**30 September 2024 RM'000**
Revenue	17,568	-	35,115	-
Gross profit	5,165	-	11,053	-
Loss before tax ("**LBT**")	(1,453)	-	(2,407)	-
Loss after tax	(1,321)	-	(2,304)	-

<u>Current/cumulative quarter</u>

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 six-month period ended 30 September 2025.

B2 Comparison with immediate preceding quarter's results

	Current Quarter	**Preceding Quarter**
	30 September 2025 RM'000	**30 June 2025 RM'000**
Revenue	17,568	17,547
Gross profit	5,165	5,888
Loss before tax ("**LBT**")	(1,453)	(954)
Loss after tax	(1,321)	(983)

The Group recorded revenue of RM17.57 million during the quarter under review, a marginal increase compared to RM17.55 million in the immediate preceding quarter ended 30 June 2025. The slight improvement in revenue was mainly attributable to higher contributions from the cybersecurity solutions segment.

The Group reported a gross profit margin of 29.40% for the quarter under review, a decrease from 33.56% reported in the preceding quarter ended 30 June 2025. This decline was primarily driven by lower margins recorded from cybersecurity solutions segment and IT infrastructure solutions segment.

Due to lower other income and a reduced gross profit margin while administrative expenses remained largely unchanged over the two consecutive quarters, the Group reported a higher LBT of approximately RM1.45 million, compared to RM0.95 million in the immediate previous quarter ended 30 June 2025.

B3 Prospects

The Group recognizes the operational and financial headwinds experienced over the past two quarters and is taking decisive steps to strengthen its foundation, improve execution, and realign with high-growth vectors in the global IT landscape. Against this backdrop, the accelerating pace of digital transformation across Asia continues to present substantial opportunities. The Group remains strategically positioned to serve key markets—including Malaysia, Singapore, India, and China—where digital adoption is being propelled by government-led initiatives, expanding digital infrastructure, rising internet penetration, and a surge in enterprise and consumer demand for next-generation technologies.

Globally, the IT services market, valued at USD 1.5 trillion in 2024, is projected to grow at a CAGR of 9.4% through 2030, with AI, intelligent automation, and data analytics emerging as critical growth levers. Similarly, the cybersecurity market, valued at USD 245.6 billion in 2024, is forecast to expand at a CAGR of 12.9%, reflecting heightened enterprise focus on resilience amid escalating threats and compliance requirements. Additionally, sustainability imperatives are reshaping IT priorities, with growing demand for energy-efficient cloud solutions, green data centers, and ESG-aligned digital services.

In response to both market opportunities and recent performance gaps, the Group is accelerating its strategic pivot: refining its service portfolio to emphasize AI-enabled solutions, cybersecurity, and sustainable IT; enhancing delivery efficiency through automation and talent upskilling; and deepening client partnerships through outcome-based engagement models. The Board has reinforced governance oversight and is working closely with management to ensure disciplined execution, cost optimization, and capital allocation aligned with long-term value creation.

While macroeconomic volatility and geopolitical complexities persist, the Group's regional expertise, diversified client base, and renewed strategic focus provide a solid platform for recovery and sustainable growth. The Board remains confident that, with focused execution and agility, the Group can navigate near-term challenges, rebuild momentum, and capitalize on the structural tailwinds shaping the future of the global IT services industry.

B4 Taxation

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	Unaudited 30 September 2025 RM'000	Unaudited 30 September 2024 RM'000	Unaudited 30 September 2025 RM'000	Unaudited 30 September 2024 RM'000
Income tax expense:				
Current financial period	(39)	-	(100)	-
Under provision in prior years	(1)	-	(2)	-
	(40)	-	(102)	-
Movement in deferred tax:				
Origination and reversal of temporary differences	172	-	205	-
Under provision in prior years	-	-	-	-
	172	-	205	-
Total tax expense	132	-	103	-
Effective tax rate[(1)]	9.1%	-	22.6%	-

B4 Taxation (continued)

Note:

(1) The effective tax rate for the current quarter is lower than the statutory tax rate mainly due to losses incurred resulting in a current tax benefit from the potential carryback of eligible tax losses for the current quarter and the 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 six-month period ended 30 September 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 September 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 6 months ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
Loss attributable to owners of the Company (RM'000)	(1,321)	-	(2,304)	-
Weighted average number of Shares in issue ('000)	363,229	-	363,229	-
Basic loss per Share (sen) [1]	(0.36)	-	(0.63)	-
Diluted loss per Share (sen) [1]	(0.36)	-	(0.63)	-

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 six-month period ended 30 September 2025.

B11 Loss before tax

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	30 September 2025 RM'000	**30 September 2024 RM'000**	**30 September 2025 RM'000**	**30 September 2024 RM'000**
Loss before tax is arrived at after charging/(crediting):				
Allowance for impairment losses on				
inventories	-	-	5	-
trade receivables	230	-	230	-
Depreciation of equipment	1,054	-	2,199	-
Depreciation of right-of-use assets	(24)	-	(211)	-
Fair value gain on short-term investments	(4)	-	(5)	-
Interest expense	9	-	14	-
Interest income	(1)	-	(220)	-
Unrealised loss on foreign exchange	(21)	-	440	-

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 six-month period ended 30 September 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
26 November 2025