CTOS DIGITAL BERHAD

CTOS DIGITAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

FOR THE SECOND QUARTER ENDED 30 JUNE 2026

CTOS DIGITAL BERHAD
(Incorporated in Malaysia)
Registration No. 201401025733 (1101823-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Quarter ended 30.6.2026 RM'000	Quarter ended 30.6.2025 RM'000	% +/(-)	Cumulative Quarter ended 30.6.2026 RM'000	Cumulative Quarter ended 30.6.2025 RM'000	% +/(-)
Revenue	A8	86,866	79,001	10.0	168,457	155,073	8.6
Cost of sales		(30,580)	(26,241)		(57,029)	(48,948)	
Gross profit		56,286	52,760	6.7	111,428	106,125	5.0
Other income/(expense)		213	216		698	303	
Selling and marketing expenses		(10,737)	(13,718)		(23,869)	(29,141)	
Administrative expenses		(27,585)	(22,726)		(53,809)	(46,479)	
Impairment of property, plant and equipment		-	-		(550)	-	
Finance income		171	83		417	146	
Finance costs		(1,474)	(2,579)		(2,966)	(5,162)	
Share of profits of associates		8,390	8,296		14,720	10,088	
Profit before tax	B5	25,264	22,332	13.1	46,069	35,880	28.4
Tax expense	B6	(2,462)	(1,868)		(4,700)	(2,104)	
Profit from continuing operations		22,802	20,464	11.4	41,369	33,776	22.5
Profit from discontinued operations		-	615		-	1,595	
Profit for the financial period		22,802	21,079	8.2	41,369	35,371	17.0
Other comprehensive (loss)/income:							
Items that will be subsequently reclassified to profit or loss:							
Exchange differences on translation of foreign operations		(1,685)	(2,989)		(8,763)	(3,042)	
Share of other comprehensive income of associate accounted for using equity method		(13)	8		(18)	8	
Items that will not be subsequently reclassified to profit or loss:							
Exchange differences on translation of foreign operations		28	-		32	12	
Share of other comprehensive loss of associate accounted for using equity method		(12)	(8)		785	(150)	
Other comprehensive loss for the financial period		(1,682)	(2,989)		(7,964)	(3,172)	
Total comprehensive income for the financial period		21,120	18,090	16.7	33,405	32,199	3.7
Profit/(loss) for the financial period attributable to:							
Continuing operations							
- Owners of the Company		22,651	20,542	10.3	41,164	34,004	21.1
- Non-controlling interests		151	(78)	293.6	205	(228)	189.9
Discontinued operations							
- Owners of the Company		-	615		-	1,595	
		22,802	21,079	8.2	41,369	35,371	17.0

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	Quarter ended 30.6.2026 RM'000	Quarter ended 30.6.2025 RM'000	% +/(-)	Cumulative Quarter ended 30.6.2026 RM'000	Cumulative Quarter ended 30.6.2025 RM'000	% +/(-)
Total comprehensive income/(loss) for the financial period attributable to:							
Continuing operations							
- Owners of the Company		20,941	17,553	19.3	33,168	30,820	7.6
- Non-controlling interests		179	(78)	329.5	237	(216)	209.7
Discontinued operations							
- Owners of the Company		-	615		-	1,595	
		21,120	18,090	16.7	33,405	32,199	3.7
Earnings per share for profit attributable to ordinary equity holders of the Company Basic/Diluted (sen)							
From continuing operations	B12	1.0	0.9		1.8	1.5	
From discontinued operations	B12	-	*		-	*	

** Represents less than 0.1sen*

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes.

CTOS DIGITAL BERHAD
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Registration No. 201401025733 (1101823-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As at 30.6.2026 RM'000	Audited As at 31.12.2025 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		6,821	8,527
Right-of-use assets		12,596	19,332
Intangible assets		159,007	156,162
Investments in associates		491,529	497,690
Receivables, deposits and prepayments		781	781
Lease receivable		4,825	-
Deferred tax assets		644	335
TOTAL NON-CURRENT ASSETS		676,203	682,827
CURRENT ASSETS			
Receivables, deposits and prepayments		70,096	72,613
Lease receivable		867	-
Amount due from related parties		196	2,880
Tax recoverable		3,146	3,519
Cash and bank balances		53,796	60,263
TOTAL CURRENT ASSETS		128,101	139,275
CURRENT LIABILITIES			
Payables and accruals		76,438	70,467
Contract liabilities		19,856	13,471
Lease liabilities		1,480	1,478
Amount due to related parties		147	490
Borrowings		50,593	38,576
Tax payable		2,169	1,931
TOTAL CURRENT LIABILITIES		150,683	126,413
NET CURRENT (LIABILITIES)/ASSETS		(22,582)	12,862

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	Unaudited As at 30.6.2026 RM'000	Audited As at 31.12.2025 RM'000
NON-CURRENT LIABILITIES			
Payables		271	-
Lease liabilities		17,442	18,562
Deferred tax liabilities		4,084	2,967
Provision for restoration costs		1,278	1,242
Borrowings		22,635	65,476
Provision for defined benefit plan		875	742
TOTAL NON-CURRENT LIABILITIES		46,585	88,989
NET ASSETS		607,036	606,700
EQUITY			
Share capital		575,219	579,125
Reverse acquisition reserve		(193,528)	(193,528)
Equity contribution from shareholder		315	315
Treasury shares		(884)	(13,210)
Other reserves		(11,449)	(3,482)
Retained earnings		238,003	238,357
Equity attributable to Owners of the Company		607,676	607,577
Non-controlling interests		(640)	(877)
TOTAL EQUITY		607,036	606,700
Net assets per share attributable to Owners of the Company (RM)		0.27	0.27

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes.

CTOS DIGITAL BERHAD
(Incorporated in Malaysia)
Registration No. 201401025733 (1101823-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Ordinary shares					Other reserves						
	Number of shares	Share capital	Equity contribution from share-holders	Treasury shares	Reverse acquisition reserve[1]	Foreign currency translation reserve	Fair value reserve	Share based payment reserve	Retained earnings	Total attributable to Owners of the Company	Non-controlling interests	Total equity
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	2,290,531	579,125	315	(13,210)	(193,528)	(11,101)	6,329	1,290	238,357	607,577	(877)	606,700
Profit for the financial period	-	-	-	-	-	-	-	-	41,164	41,164	205	41,369
Other comprehensive (loss)/income	-	-	-	-	-	(8,763)	706	-	61	(7,996)	32	(7,964)
Share-based payment expense	-	-	-	-	-	-	-	90	-	90	-	90
Transaction with owners:												
Dividends paid	-	-	-	-	-	-	-	-	(32,272)	(32,272)	-	(32,272)
Share buy back	-	-	-	(884)	-	-	-	-	(3)	(887)	-	(887)
Cancellation of treasury shares	(15,450)	(3,906)	-	13,210	-	-	-	-	(9,304)	-	-	-
At 30 June 2026	2,275,081	575,219	315	(884)	(193,528)	(19,864)	7,035	1,380	238,003	607,676	(640)	607,036
At 1 January 2025	2,310,000	584,047	315	-	(193,528)	(6,000)	6,308	1,200	211,351	603,693	(492)	603,201
Profit/(loss) for the financial year	-	-	-	-	-	-	-	-	35,599	35,599	(228)	35,371
Other comprehensive (loss)/income	-	-	-	-	-	(3,042)	8	-	(150)	(3,184)	12	(3,172)
Share-based payment expense	-	-	-	-	-	-	-	361	-	361	-	361
Transaction with owners:												
Dividends paid	-	-	-	-	-	-	-	-	(33,033)	(33,033)	-	(33,033)
At 30 June 2025	2,310,000	584,047	315	-	(193,528)	(9,042)	6,316	1,561	213,767	603,436	(708)	602,728

Note:
(1) The reverse acquisition reserve was created during the acquisition of CTOS Business Systems Sdn. Bhd. ("CBS"), CTOS Data Systems Sdn. Bhd. ("CDS") and Automated Mail Responder Sdn. Bhd. ("AMR") by the Company in 2014. CBS was identified as the accounting acquirer in accordance with MFRS 3 "Business Combination". The difference between the issued equity of the Company and issued equity of CBS together with the deemed purchase consideration of subsidiaries other than CBS is recorded as reverse acquisition reserve.

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative Quarter ended	
	30.6.2026	30.6.2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from:		
Continuing operations	46,069	35,880
Discontinued operations	-	1,595
	46,069	37,475
Adjustments for:		
(Reversal of)/allowance for impairment of receivables - net	(1,107)	195
Bad debts written off	2,111	-
Depreciation of property, plant and equipment	1,225	1,759
Depreciation of right-of-use assets	1,136	1,325
Amortisation of intangible assets	5,389	4,477
Interest income	(417)	(146)
Write-off of intangible assets	-	45
Impairment of property, plant and equipment	550	-
Accretion of provision for restoration costs	37	37
Defined benefit plan	248	163
Interest expense on defined benefit plan	7	-
Interest expense on bank borrowings	2,414	4,562
Lease interest	508	563
Share based payment expense	90	361
Share of profits of associates	(14,720)	(11,683)
Unrealised gain on foreign exchange	(203)	(49)
Operating cash flows before working capital changes	43,337	39,084
Changes in working capital:		
Receivables, deposits and prepayments	1,799	(3,238)
Payables and accruals	10,622	4,730
Contract liabilities	6,385	2,606
Related party balances	2,519	364
Cash flows generated from operations	64,662	43,546
Interest received	357	146
Lease payment received	91	-
Tax paid	(3,716)	(3,449)
Dividends received	12,822	19,594
Net cash flows generated from operating activities	74,216	59,837
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(73)	(938)
Purchase of intangible assets	(8,143)	(10,346)
Net cash flows used in investing activities	(8,216)	(11,284)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	Cumulative Quarter ended 30.6.2026 RM'000	Cumulative Quarter ended 30.6.2025 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(36,629)	(42,273)
Drawdown of borrowings		13,000	37,000
Repayment of borrowings		(44,349)	(31,406)
Restricted cash for term loan facility		(25)	(27)
Payment of lease liabilities		(1,626)	(1,625)
Transaction costs paid		(1)	(9)
Interest paid		(1,931)	(4,326)
Purchase of treasury shares		(887)	-
Net cash flows used in financing activities		(72,448)	(42,666)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,448)	5,887
EFFECT OF EXCHANGE RATE CHANGES		(44)	(237)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		58,161	17,318
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD		51,669	22,968

The cash flows attributable to the continuing and discontinued operations are as follows:

	Note	Cumulative Quarter ended 30.6.2026 RM'000	Cumulative Quarter ended 30.6.2025 RM'000
Continuing operations			
Cash flows from operating activities		74,216	52,713
Cash flows used in investing activities		(8,216)	(11,284)
Cash flows used in financing activities		(72,448)	(42,666)
		(6,448)	(1,237)
Discontinued operations			
Cash flows from operating activities		-	7,124
Cash flows used in investing activities		-	-
Cash flows used in financing activities		-	-
		-	7,124
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,448)	5,887

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

This condensed consolidated financial information of CTOS Digital Berhad ("the Company") and its subsidiaries ("the Group") is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard ("MFRS") 134 – Interim Financial Reporting and International Accounting Standard 34 "Interim Financial Reporting". The condensed consolidated financial information is unaudited and should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2025.

The significant accounting policies and methods of computation adopted for the condensed consolidated financial information are consistent with those adopted for the audited consolidated financial statements for the financial year ended 31 December 2025 except for the adoption of the following amendment to published standard:

- Amendments to MFRS 9 and MFRS 7 – 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026)
- Annual Improvement to MFRS Accounting Standards – Volume 11 (effective 1 January 2026)
- Amendments to MFRS 9 and MFRS 7 'Contracts Referencing Nature-dependent Electricity' (effective 1 January 2026)

The adoption of the amendments did not have any impact on the Group.

Amendments to MFRS that are applicable to the Group but not yet effective

The Malaysian Accounting Standards Board had issued the following amendments to MFRS of which are effective for the financial year beginning on or after 1 January 2027.

- MFRS 18 – 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027)
- MFRS 19 – 'Subsidiaries without Public Accountability: Disclosures' (effective 1 January 2027)
- Amendments to MFRS 19 (effective 1 January 2027)
- Amendments to MFRS 121 – 'Translation to a Hyperinflationary Presentation Currency' (effective 1 January 2027)

The Group did not early adopt these amendments to MFRS and they are not expected to have a material impact to the Group, except for MFRS 18 for which management is still assessing the impact.

A2. Seasonal or Cyclical Factors

The Group does see some impact from the festive season which generally occurs in the first half of the year with the second half typically being stronger as larger corporates looking to maximise their budget allocations will see increased demand for services such as insights and analytics in the latter part of the year.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 June 2026.

A4. Material Changes in Estimates

There were no changes in estimates which had a material effect in the financial period ended 30 June 2026.

A5. Debts and Equity Securities

There was no issuance, repurchase and repayment of debts and equity securities during the financial period ended 30 June 2026.

A6. Dividends Paid

	Single-tier tax-exempt dividend per share sen	Amount of dividends, single-tier tax-exempt RM'000
30.6.2026		
Dividends paid in respect of the financial year ended 31 December 2025:		
- fourth interim dividend, paid on 28 April 2026	0.860	19,304
Dividends paid in respect of the financial year ending 31 December 2026:		
- first interim dividend, payable on 23 July 2026	0.570	12,968
	1.430	32,272

A7. Segment Reporting

The Group is primarily engaged in credit reporting, digital software related services including software development, outsourcing and provision of training. Management has determined the operating segments to be based on the management reports reviewed by the chief operating decision makers ("CODM") that are used to make strategic decisions, for which discrete financial information is available. For management purposes, the Group is organised into two reportable segments based on their geographical locations. The reportable segments are summarised as follows:

(i) Malaysia which comprises the provision of credit reporting services (sale of reports, monitoring and trade referencing services and other services), sale of digital solutions and provision of related installation and maintenance services as well as provision of comprehensive commercial credit reports and bulk commercial data sales to 3 distinct types of customer group, namely Financial Institution and Corporate, Commercial and Consumer; and

(ii) International which comprises the business of provision of alternative data credit scores to customers.

The performance of the operating segments is measured based on segment profit calculated as profit for the relevant financial year plus tax expense, finance costs, depreciation and amortisation and foreign exchange losses less interest income, foreign exchange gains and share of profits of associates.

The share of results of associates represents the following:

(i) business of a credit reporting, credit bureau and information services, a provider of credit enterprise software in Malaysia and a provider of independent credit rating services, sustainability rating services, environment, social and government analytics, data analytics, economic research and consultancy services, bond pricing and information services as well as credit opinions on ventures listed on the Investment Account Platform; and

(ii) business of a service provider, developer of local and global financial information system and as an online and offline business information service provider as well as consulting service and database management in Thailand;

The CODM also reviews the revenue of the Malaysia and International segments by type of customers as disclosed in Note A8. All assets are managed based on their geographical locations. Capital expenditure comprises additions to property, plant and equipment, right-of-use ("ROU") assets and intangible assets.

A7. Segment Reporting (continued)

	Cumulative Quarter ended					
			30.6.2026 RM'000			30.6.2025 RM'000
	Malaysia	International	Total	Malaysia	International	Total
Revenue	141,489	26,968	168,457	134,887	20,186	155,073
Gross profit	97,992	13,436	111,428	96,134	9,991	106,125
Segment profit	36,349	5,787	42,136	36,750	1,492	38,242
Depreciation and amortisation	(7,725)	(25)	(7,750)	(7,195)	(366)	(7,561)
Impairment of property, plant and equipment	(550)	-	(550)	-	-	-
Finance costs	(2,959)	(7)	(2,966)	(5,162)	-	(5,162)
Finance income	412	5	417	110	36	146
Share of profits of associates	9,707	5,013	14,720	6,907	4,776	11,683
Realised and unrealised gains/(losses) on foreign exchange - net	67	(5)	62	127	-	127
Profit before taxation	35,301	10,768	46,069	31,537	5,938	37,475
Tax expense	(3,063)	(1,637)	(4,700)	(1,402)	(702)	(2,104)
Profit for the financial period	32,238	9,131	41,369	30,135	5,236	35,371
Segment assets	601,370	202,934	804,304	668,069	200,249	868,318
Other disclosures						
Non-cash items* (other than depreciation and amortisation)	1,370	71	1,441	507	-	507
Capital expenditure arising from property, plant and equipment and intangible assets additions	8,190	26	8,216	11,344	24	11,368

** Included in non-cash items are (reversal of)/allowance for impairment of receivables – net, bad debts written off, share-based payment expense, unrealised (gains)/losses on foreign exchange and impairment of property, plant and equipment.*

Geographical segments

Non-current assets

Non-current assets are determined according to the country of the operating segment. Non-current assets exclude financial instruments and deferred tax assets.

	As at	
	30.6.2026 RM'000	31.12.2025 RM'000
Malaysia	502,423	502,377
Thailand	143,908	150,976
Indonesia	1,840	1,821
The Philippines	26,607	26,537
	674,778	681,711

A7. Segment Reporting (continued)

Geographical segments (continued)

Borrowings and lease liabilities

	As at	
	30.6.2026	31.12.2025
	RM'000	RM'000
Malaysia	92,150	124,092

Information about a major customer

There is no single customer that contributed 10% or more of the Group's revenue throughout the reported financial period.

A8. Revenue

The disaggregation of revenue by types of services are as follows:

	Note	Cumulative Quarter ended	
		30.6.2026	30.6.2025
		RM'000	RM'000
Provision of services	(a)		
- analytics and intelligence		69,739	60,117
- digital solutions		51,985	53,268
- data and information		46,733	41,688
		168,457	155,073

a) Revenue from contracts with customers:

	Cumulative Quarter ended	
	30.6.2026	30.6.2025
	RM'000	RM'000
Timing of revenue recognition:		
- at a point in time	117,284	103,860
- over time	51,173	51,213
Revenue from contracts with customers	168,457	155,073

A8. Revenue (continued)

The Group serves three distinct types of customers, namely Financial Institution and Corporate, Commercial and Consumer. Financial Institution and Corporate's customers comprise the Group's highest revenue-generating customers as well as other selected customers, such as those with complex requirements or well-recognised brands. Commercial customers comprise (i) the Group's Malaysian segment commercial customers other than Financial Institution and Corporate customers and (ii) all of CTOS Basis' customers. Consumer comprise the Group's retail consumers.

The disaggregation of revenue by types of customers are as follows:

	Cumulative Quarter ended	
	30.6.2026	30.6.2025
	RM'000	RM'000
Customer group		
- Financial institution and corporate	87,120	77,410
- Commercial	59,937	59,395
- Consumer	21,400	18,268
Total	168,457	155,073

A9 Valuations of Property, Plant and Equipment

There were no revaluations of property, plant and equipment during the financial period ended 30 June 2026. As at 30 June 2026, all property, plant and equipment were stated at cost less accumulated depreciation.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 June 2026.

A11. Material Events Subsequent to the Financial Period

There were no material events subsequent to the end of the financial period up to the date of this report.

A12. Contingent Liabilities or Contingent Assets

In the normal course of business, there are contingent liabilities arising from legal recourse sought on the Group's credit reporting operations. The Directors have been advised by external counsel and have assessed that these litigation cases as possible obligations where outflow of resources are not probable.

a) In May 2023, CDS was served with a Writ Summons by a Plaintiff claiming negligence in CDS' credit report which contained the Plaintiff's bankruptcy proceeding that was discharged by the Court. CDS maintained that it has the right to publish the bankruptcy proceeding and had duly updated the status of the discharge of bankruptcy in the credit report as required under the CRA Act. The Plaintiff has among others sought for Special Damages and General Damages amounting to RM500,000 from CDS. The Trial took place on 8 January 2026, 17 March 2026 and 18 March 2026, and concluded with both parties closing their respective cases. The trial was concluded on 17 July 2026 and the decision is scheduled to be delivered on 28 August 2026.

A12. Contingent Liabilities or Contingent Assets (continued)

b) In April 2025, CDS was served with a Writ of Summon and a statement of claims by a group of two Plaintiffs. The Plaintiffs have alleged that CDS had via various actions (i) negligently published inaccurate and outdated reports containing wrong trade information, inaccurate corporate filings information, and information which damaged its reputation; and (ii) failed to fulfil fiduciary duties in ensuring information was accurate, correct, and up to date and relevant.

The Plaintiffs are seeking RM2,000,000 in damages, interest at 5% per annum from the date of judgment until full settlement, legal costs on a solicitor-client basis amounting to RM54,000 (inclusive of 8% SST) and other reliefs. Plaintiffs are alleging that CDS had; (i) defamed the Plaintiffs; (ii) negligent in preparing our credit reports and (iii) breached its statutory duty.

CDS filed its Defence on 3 June 2025 and the Plaintiffs filed their reply to its Defence on 26 June 2025. The trial proceedings were held on 2 and 3 July 2026 and will continue on 19 to 21 August 2026.

The Management had sought legal advice from external counsel on these litigation cases whereby the Board and Management have been advised that the Group has a fair chance at successfully defending the cases. As at 30 June 2026, no provisions are required in the condensed consolidated financial information.

There were no other material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2025.

A13. Capital Commitments

Significant capital expenditure contracted for at the end of reporting date but not recognised as liabilities are as follows:

		As at
	30.6.2026	31.12.2025
	RM'000	RM'000
Contracted		
- property, plant and equipment	49	510
- intangible assets	1,133	1,536
	1,182	2,046

A14. Significant Related Party Transactions

The related party transactions described below were carried out on agreed commercial terms and transacted on an arm's-length basis with the related parties.

	Transactions for the period ended 30.6.2026 RM'000	Balances as at 30.6.2026 RM'000
Group		
Purchase of services		
- Software services from Juris Technologies Sdn Bhd ("JurisTech")	1,386	146
- Credit reports from CIBI Information, Inc. ("CIBI")	22	-
Sale of services		
- Advisory, support and software services and sale of credit scores to CIBI Information, Inc. ("CIBI")	1,566	188

A14. Significant Related Party Transactions (continued)

The Group has entered into the above related party transactions with parties whose relationships are set out below:

(i) JurisTech, being an associate to the Group is principally engaged in predictive artificial intelligence module, debt collection software, loan origination management, credit scoring solution, plus conveyancing and loan documentation systems. JurisTech has been providing technology and support services to CDS pursuant to a collaboration agreement to carry out business requirements study, customising, implementing, testing, and rolling out the product and services.

(ii) CIBI, being an entity connected to certain shareholders of the Company, is a credit bureau incorporated in the Philippines. CIBI provides credit reports to CTOS Basis Sdn. Bhd., while CDS provides advisory, support and software services to CIBI relating to implementation, deployment and project management services and Finscore Inc. provides credit scores to CIBI.

A15. Fair Value Measurements

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

a) Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities of the Group approximated their fair values as at 30 June 2026.

b) Financial instruments carried at fair value

There is no financial asset and liability measured at fair value as at 30 June 2026.

PART B: EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS

B1. Review of Group Performance

	Cumulative Quarter ended		%
	30.6.2026	30.6.2025	+/(-)
	RM'000	RM'000	
Revenue			
Malaysia	141,489	134,887	4.9
International	26,968	20,186	33.6
	168,457	155,073	8.6
Segment profit			
Malaysia	36,349	36,750	(1.1)
International	5,787	1,492	287.9
	42,136	38,242	10.2
Profit before tax ("PBT")	46,069	37,475	22.9
Profit for the financial period ("PAT")	41,369	35,371	17.0
Profit attributable to Owners of the Company ("PATAMI")	41,164	35,599	15.6

Reconciliation of PATAMI to Normalised PATAMI:

PATAMI	41,164	35,599	15.6
Add:			
Share-based payment expense	90	361	
Strategic consolidation and realignment	866	832	
Impairment of property, plant and equipment	550	-	
Normalised PATAMI – Note 1	42,670	36,792	16.0

Note 1 – Normalised PATAMI is calculated as profit for the financial period attributable to owners of the Company plus share-based payment expense, strategic consolidation and realignment and impairment of property, plant and equipment.

For the six months period ended 30 June 2026, the Group recorded higher revenue of RM168.5 million compared to RM155.1 million in the corresponding period due to continuous growth in both Malaysia and International operations.

Segment profit from the Malaysia operations was sustained at RM36.3 million compared to RM36.8 million in the corresponding period, primarily due to operational expenditures incurred for cloud migration and infrastructure modernisation.

The International operations, which comprises the alternative data credit score businesses in Indonesia and the Philippines, recorded revenue of RM27.0 million and segment profit of RM5.8 million. Revenue rose by 33.6% mainly attributed to accelerated growth in client consumption and new clients onboarded.

Group PBT rose by 22.9% to RM46.1 million compared to RM37.5 million in the corresponding period mainly due to higher revenue, higher share of profits of associates and lower finance costs. Consequently, profit after tax rose by 17.0% to RM41.4 million compared to RM35.4 million in the corresponding period.

Normalised PATAMI increased by 16.0% to RM42.7 million in the current quarter compared to RM36.8 million in the corresponding period.

B2. Comparison with Immediate Preceding Quarter

	Quarter ended		%
	30.6.2026	31.3.2026	+/(-)
	RM'000	RM'000	
Revenue			
Malaysia	72,752	68,737	5.8
International	14,114	12,854	9.8
	86,866	81,591	6.5
Segment profit			
Malaysia	18,385	17,964	2.3
International	3,389	2,398	41.3
	21,774	20,362	6.9
PBT	25,264	20,805	21.4

The Group reported revenue of RM86.9 million for the current quarter, reflecting a 6.5% increase from RM81.6 million in the preceding quarter. Segment profit increased to RM21.8 million compared to RM20.4 million in the preceding quarter.

Segment profit for Malaysia operations rose by 2.3% to RM18.4 million from RM18.0 million in the preceding quarter, primarily due to higher revenue and higher gross profits achieved.

Revenue from International operations rose by 9.8% to RM14.1 million from RM12.9 million in the preceding quarter, primarily due to new deals secured and higher consumption by clients. Consequently, segment profit for International operations rose by 41.3% to RM3.4 million compared to RM2.4 million in the preceding quarter.

Group PBT surged by 21.4% to RM25.3 million from RM20.8 million in the preceding quarter mainly driven by higher segment profit and higher share of profit of associates.

B3. Prospects of the Group

Despite ongoing macroeconomic and geopolitical uncertainties across the region, the Group remains cautiously optimistic about its growth prospects in 2026. The Group's priorities are anchored on its strategic new vision of becoming the region's *Trusted Intelligence Behind Every Transaction*.

In the **Financial Institution and Corporate segment**, growth will continue to be driven by deepening the partnerships with digital products, AI solutions and alternative data solutions. The **Commercial segment** remains focused on customer acquisition, activation and retention, while deepening usage with enhanced platforms and credit solutions to support better credit decision-making. The **Consumer segment** continues to deliver healthy growth, supported by new product launches, embedded partnerships, and a revamped mobile application.

The **International segment** is expected to deliver sustainable growth and contribute positively to the Group's financial performance. The business is strengthening its value proposition by leveraging additional alternative data and scores, with the strategic objective of becoming a leading provider of alternative data credit solutions across ASEAN.

To support its growth ambitions, the Group continues to actively evaluate synergistic partnerships and selective acquisition opportunities across Malaysia and ASEAN, while deepening collaboration with its associate companies to enhance performance and efficiency.

The Group is also accelerating investments in digital products, AI solutions, alternative data and analytics intelligence to drive sustainable revenue growth and margin expansion supported through automation and cost optimisation, while strengthening its core by enhancing the data platforms and credit intelligence capabilities. To support scalable expansion and service reliability, the Group is also stepping up investments in technology infrastructure, security and governance.

Overall, the Group remains firmly committed to disciplined growth, strong execution and the delivery of sustainable long-term shareholder value.

B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee

Not applicable as there was no financial forecast issued for the current financial period.

B5. Profit Before Tax

The following items have been (credited)/charged in arriving at the profit before tax:

	Quarter ended		Cumulative Quarter ended	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment of receivables - net	632	195	(1,107)	195
Bad debts written off	(270)	-	2,111	-
Depreciation of property, plant and equipment	566	844	1,225	1,759
Depreciation of right-of-use assets	473	664	1,136	1,325
Amortisation of intangible assets	2,618	1,645	5,389	4,477
Impairment of property, plant and equipment	-	-	550	-
Realised (gain)/loss on foreign exchange	7	(151)	141	(78)
Unrealised loss/(gain) on foreign exchange	(67)	86	(203)	(49)
Finance income:				
- interest income	(171)	(83)	(417)	(146)

Other than as presented in the condensed consolidated statements of comprehensive income and as disclosed above, there were no material gains/losses on disposal of quoted and unquoted investments or properties and other exceptional items for the financial period ended 30 June 2026.

B6. Tax Expense

	Quarter ended		Cumulative Quarter ended	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	RM'000	RM'000	RM'000	RM'000
Current tax				
- current year	2,036	1,133	3,894	2,861
- over provision in prior years	(1)	-	(3)	-
	2,035	1,133	3,891	2,861
Deferred tax				
- origination and reversal of temporary differences	427	735	809	(757)
	2,462	1,868	4,700	2,104

The Group's effective tax rate for the current quarter and financial period ended 30 June 2026, excluding share of profits of associates was 14.6% and 15.0% respectively, lower than the statutory tax rate of 24% mainly due to the tax incentives enjoyed by its subsidiary, CDS.

The Company's subsidiary, CDS is entitled to pioneer status incentives under the Promotion of Investments Act ("PIA") 1986 for MSC Malaysia Qualifying Activities. As a result, certain CDS's profits are exempted from tax for a period of 10 years, beginning on 9 November 2016. However, based on the provisions of the PIA 1986, the incentive's effective period is only for the first 5 years. The tax relief period under CDS's MSC Pioneer Certificate is from 9 November 2016 to 8 November 2021. On 26 October 2023, CDS has received the approval from the Ministry of Finance via Malaysia Digital Economy Corporation on the extension of the second 5-year income tax exemption for the period from 9 November 2021 to 8 November 2026.

Tax expenses for the taxation authorities in Indonesia and the Philippines are calculated at the rates prevailing in those jurisdictions.

B7. Status of Corporate Proposals

There is no other corporate proposal announced but not completed as at the date of this report.

B8. Borrowings

	Currency	As at 30.6.2026 RM'000	As at 31.12.2025 RM'000
Secured			
Current			
Term loans	RM	37,593	38,576
Revolving credit	RM	13,000	-
Non-current			
Term loans	RM	22,635	65,476
Total borrowings		73,228	104,052

B9. Material Litigation

There is no material litigation as at the date of this report.

B10. Financial Liabilities

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

B11. Dividends

The Board of Directors has declared a second interim single tier dividend of 0.70 sen per ordinary share in respect of the financial year ending 31 December 2026, which is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967, to be paid on 28 August 2026. The entitlement date for the dividend payment is 7 August 2026.

A depositor shall qualify for entitlement to the dividend only in respect of:

(i) shares transferred into the depositor's securities account before 4.30 pm on 7 August 2026 in respect of transfers; and

(ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

B12. Earnings per Share

Basic and diluted earnings per share ("EPS") of the Group is calculated by dividing the profit attributable to the owners of the Company by the weighted average numbers of ordinary shares in issue during the financial period.

	Quarter ended		Cumulative Quarter ended	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
Profit attributable to the owners of the Company (RM'000)				
- Continuing operations	22,651	20,542	41,164	34,004
- Discontinued operations	-	615	-	1,595
	22,651	21,157	41,164	35,599
Weighted average number of ordinary shares in issue ('000)	2,274,763	2,310,000	2,274,921	2,310,000
Basic/Diluted EPS (sen)				
- Continuing operations	1.0	0.9	1.8	1.5
- Discontinued operations	-	*	-	*
	1.0	0.9	1.8	1.5

** Represents less than 0.1sen*

Diluted EPS of the Group for the current quarter and financial period ended 30 June 2026 are equivalent to the basic EPS as the share options had an anti-dilutive effect on the basic EPS and the Group has no other dilutive potential ordinary shares in issue at the end of the preceding year reporting period.