



SNS NETWORK TECHNOLOGY BERHAD

Registration No: 201601002835 (1173761-W)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
31 JANUARY 2026



SNS NETWORK TECHNOLOGY BERHAD
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(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 JANUARY 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026 Unaudited RM'000	Corresponding Quarter 31.01.2025 Unaudited RM'000	Current Year-to-date 31.01.2026 Unaudited RM'000	Corresponding Year-to-date 31.01.2025 Unaudited RM'000
Revenue	383,544	251,512	3,340,021	1,018,513
Cost of sales	(341,334)	(216,602)	(3,164,169)	(913,672)
Gross profit	42,210	34,910	175,852	104,841
Other operating income	3,295	3,192	12,008	10,539
Other gains and losses	46	580	(480)	1,195
Investment revenue	89	64	358	429
Impairment (loss)/gain on financial assets - net	(7,607)	290	(23,658)	1,084
Selling and distribution expenses	(15,032)	(14,135)	(61,324)	(45,062)
General and administrative expenses	(11,085)	(6,213)	(36,111)	(26,948)
Profit from operations	11,916	18,688	66,645	46,078
Finance costs	(1,822)	(1,083)	(7,721)	(4,655)
Share of results in a jointly controlled entity	(1)	-	(1)	-
Profit before tax	10,093	17,605	58,923	41,423
Tax expenses	(5,021)	(7,585)	(12,954)	(11,120)
Profit and total comprehensive income for the financial period attributable to equity holders of the Group	5,072	10,020	45,969	30,303
Earning per share attributable to equity holders of the Group:				
Basic ⁽²⁾ (sen)	0.30	0.61	2.74	1.87
Diluted ⁽³⁾ (sen)	0.29	0.59	2.66	1.81



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Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of SNS Network Technology Berhad ("SNS" or the "Company") and its subsidiaries ("SNS Group" or the "Group") for the financial year ended ("FYE") 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*
- (2) *Basic earnings per share ("EPS") is calculated by dividing profit after tax attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective current and preceding financial quarters and financial year-to-date under review.*
- (3) *The diluted EPS has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible employees.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	As at 31.01.2026 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	72,895	70,873
Right-of-use assets	11,946	15,120
Interest in a jointly controlled entity	-	-
Finance lease receivables	53,298	31,229
Trade receivables	1,828	3,241
Total non-current assets	139,967	120,463
Current assets		
Inventories	181,727	126,287
Trade and other receivables	213,837	207,805
Finance lease receivables	29,655	14,960
Current tax assets	1,772	2,494
Fixed deposits, cash and bank balances	96,260	88,397
Total current assets	523,251	439,943
TOTAL ASSETS	663,218	560,406
<u>EQUITY AND LIABILITIES</u>		
Capital and reserves		
Share capital	172,669	172,669
Capital reserve	(55,329)	(55,329)
Share-based payment reserve	2,928	131
Retained earnings	190,222	158,916
TOTAL EQUITY	310,490	276,387
Non-current liabilities		
Borrowings	54,955	19,384
Lease liabilities	4,573	5,107
Deferred tax liabilities	8,225	4,795
Total non-current liabilities	67,753	29,286



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾ (CONT'D)

	As at 31.01.2026 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
Current liabilities		
Trade and other payables	190,496	183,198
Contract liabilities	204	147
Dividends payable	4,189	-
Borrowings	82,135	59,313
Lease liabilities	7,687	10,324
Current tax liabilities	264	1,751
Total current liabilities	284,975	254,733
TOTAL LIABILITIES	352,728	284,019
TOTAL EQUITY AND LIABILITIES	663,218	560,406
Net assets per ordinary share attributable to Equity holders of SNS Group (RM)⁽²⁾	0.19	0.16

Notes:

⁽¹⁾ *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the FYE 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*

⁽²⁾ *Net assets per ordinary share is calculated based on total equity as at the end of each financial year divided by 1,675,757,966 ordinary shares.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

← Attributable to Equity Holders of SNS Group →

	Share capital RM'000	Non-distributable Capital reserve RM'000	Non-distributable Share-based payment reserve RM'000	Distributable Retained earnings RM'000	Total Equity RM'000
Balance as of 1 February 2025	172,669	(55,329)	131	158,916	276,387
Profit for the financial year	-	-	-	45,969	45,969
Dividends	-	-	-	(14,663)	(14,663)
Share-based payment relating to ESOS	-	-	2,797	-	2,797
Balance as of 31 January 2026	172,669	(55,329)	2,928	190,222	310,490
Balance as of 1 February 2024	151,420	(55,329)	2,783	144,779	243,653
Profit for the financial year	-	-	-	30,303	30,303
Dividends	-	-	-	(16,166)	(16,166)
Issuance of ordinary shares pursuant to ESOS	15,745	-	-	-	15,745
Transfer from share-based payment reserve upon exercise	5,504	-	(5,504)	-	-
Share-based payment relating to ESOS	-	-	2,852	-	2,852
Balance as of 31 January 2025	172,669	(55,329)	131	158,916	276,387

Note:

⁽¹⁾ *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the FYE 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 JANUARY 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

	CUMULATIVE QUARTER	
	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
Cash flows from operating activities		
Profit before taxation	58,923	41,423
Adjustments for:		
Depreciation of right-of-use assets	12,319	12,113
Depreciation of property, plant and equipment	5,565	2,412
Finance costs	7,721	4,655
Share options to employees	2,797	2,852
Write down in values of inventories to net realisable values	1,847	582
Loss allowances/(reversal of loss allowances) recognised in profit or loss	11,644	(1,084)
Impairment loss on finance lease receivables	12,014	-
Bad debts written off	86	-
Loss on disposal of property, plant and equipment	1	-
Property, plant and equipment written off	30	49
Deposit written off	-	12
Interest income from:		
Finance lease receivables	(4,277)	(3,100)
Trade and other receivables	(637)	(1,272)
Cash and bank balances	(507)	(114)
Fixed deposits	(358)	(429)
Unrealised loss/(profit) on foreign exchange	1,557	(114)
Gains arising from derecognition of leases	(2)	(7)
Share of results in a jointly controlled entity	1	-
Operating profit before working capital changes	108,724	57,978
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	(57,228)	(29,615)
Trade and other receivables	(16,349)	17,090
Finance lease receivables	(48,778)	(17,550)
Increase/(Decrease) in:		
Trade and other payables	7,105	(59,698)
Contract liabilities	57	51
Cash used in operating activities	(6,469)	(31,744)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾ (CONT'D)

	CUMULATIVE QUARTER	
	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
Interests received	5,421	4,486
Finance costs paid	(1,892)	(943)
Income tax refunded	1,578	-
Income tax paid	(11,867)	(10,120)
Net cash used in operating activities	(13,229)	(38,321)
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	2	-
Fixed deposit interests received	358	429
Purchase of property, plant and equipment	(7,177)	(5,233)
Withdrawal/(Placement) of fixed deposits	348	(1,088)
Investment in a jointly controlled entity	(1)	-
Net cash used in investing activities	(6,470)	(5,892)
Cash flows from/(used in) financing activities		
Drawdown of term loans and financing	15,000	-
Proceed from issuance of share capital	-	15,745
Proceeds from bankers' acceptances - net	7,411	29,563
Proceeds from other financing	48,989	2,074
Repayment of lease liabilities	(12,314)	(12,069)
Repayment of term loans	(2,703)	(887)
Repayment of other financing	(10,277)	(4,112)
Finance costs paid	(5,829)	(3,713)
Repayment of hire-purchase payables	(336)	(501)
Dividend paid	(10,474)	(16,166)
Net cash from financing activities	29,467	9,934
Net increase/(decrease) in cash and cash equivalents	9,768	(34,279)
Cash and cash equivalents at the beginning of the financial year	84,603	118,768
Effect of exchange rate changes on the balance of cash held in foreign currencies	(1,557)	114
Cash and cash equivalents at the end of the financial year	92,814	84,603



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾ (CONT'D)

Notes:

⁽¹⁾ *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the FYE 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*

⁽²⁾ *Cash and cash equivalents at the end of the financial year comprise:*

	CUMULATIVE QUARTER	
	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	33,864	16,006
Income fund with a licensed financial institution (redeemable upon 1 day notice)	30,208	30,796
Cash and bank balances	32,188	41,595
	<hr/>	<hr/>
	96,260	88,397
Less:		
Fixed deposits pledged to licensed banks	(3,446)	(3,794)
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	92,814	84,603
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 JANUARY 2026

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES ON TO THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT

A1. Basis of preparation

The condensed consolidated interim financial statements of the Group is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards ("**MFRS**") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**"), International Financial Reporting Standard, requirements of the Companies Act, 2016 in Malaysia, and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 31 January 2025.

A2. Significant accounting policies

The accounting policies adopted by the Group in the preparation of this condensed interim financial report are consistent with those adopted as disclosed in the Group's audited financial statements for the financial year ended 31 January 2025 in the Annual Report of the Company, except for the adoption of amended MFRSs and IC Interpretations which are relevant to its operations and effective for the financial period beginning on or after 1 February 2025. The adoptions of these amended MFRSs and IC Interpretations have no material impact on the condensed interim financial report of the Group.

At the date of authorisation for the issuance of this condensed interim financial report, MASB has approved certain new standards, amendments and interpretations to existing standards, which are not yet effective and have not been early adopted by the Group. The management anticipates that all the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements. New standards, amendments, and interpretations to existing standards are not expected to have a material impact on the Group's condensed interim financial report.

A3. Audited Report of Preceding Annual Financial Statements

The audited consolidated financial statements for the FYE 31 January 2025 were not subject to any qualification.



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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A4. Seasonal or Cyclical Factors

The Group does not experience significant fluctuation in operations due to seasonal factors during the current financial quarter and year-to-date under review.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature in size or incidence during the current financial quarter under review.

A6. Material Changes in Estimates

There were no material changes in the estimates of amounts reported that have material effects on the results for the current financial quarter under review.

A7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter under review.

A8. Dividend Paid

Dividends paid during the financial year are as follows:

	<u>Financial Year End</u>	<u>Payment Date</u>	<u>Total Dividends RM'000</u>
A fourth interim single-tier dividend of 0.125 sen per ordinary shares	2025	26 May 2025	2,095
A first interim single-tier dividend of 0.25 sen per ordinary shares	2026	28 August 2025	4,189
A second interim single-tier dividend of 0.25 sen per ordinary shares	2026	26 November 2025	4,190
			<hr/> <hr/> 10,474



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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental Reporting

a) Revenue by Business Activities:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026 RM'000	Corresponding Quarter 31.01.2025 RM'000	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
Sale of ICT products	381,354	245,483	3,331,306	1,003,466
Provision of device repair and related services, as well as sale of broadband services	2,190	6,029	8,715	15,047
	<u>383,544</u>	<u>251,512</u>	<u>3,340,021</u>	<u>1,018,513</u>

b) Revenue by Geographical Market:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026 RM'000	Corresponding Quarter 31.01.2025 RM'000	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
Malaysia	360,946	227,585	3,272,855	969,315
Overseas				
- Hong Kong	4,463	7,337	24,551	8,610
- Singapore	9,617	11,770	23,744	25,536
- Others ⁽¹⁾	8,518	4,820	18,871	15,052
	<u>383,544</u>	<u>251,512</u>	<u>3,340,021</u>	<u>1,018,513</u>

Note:

⁽¹⁾ Comprise mainly Brunei, Denmark, Indonesia, the Maldives, Thailand, Vanuatu and the United States of America, each representing less than 1% of total revenue.



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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A10. Material Events Subsequent to the End of the Current Financial Quarter

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

A11. Changes in The Composition of The Group

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

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities and contingent assets of the Group as at the end of the current financial quarter under review.

A13. Significant Related Party Transactions

Significant transactions between the Group and a related party are as follows:

Type of transactions	Current Quarter 31.01.2026 RM'000	Current Year-to-date 31.01.2026 RM'000
Rental of offices paid to a director	25	102

A14. Capital Commitments

There were no material capital commitments as at the end of the current financial quarter under review.

A15. Valuation of Property, Plant and Equipment

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

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER	
	Current Quarter	Corresponding Quarter	Variance		Current Year-to-date	Corresponding Year-to-date
	31.01.2026	31.01.2025			31.01.2026	31.01.2025
	RM'000	RM'000	RM'000	%	RM'000	RM'000
Revenue	383,544	251,512	132,032	52.5%	3,340,021	1,018,513
Profit before tax	10,093	17,605	(7,512)	-42.7%	58,923	41,423

For the current financial quarter ended 31 January 2026, the Group recorded revenue of RM383.54 million, representing a significant increase of RM132.03 million or 52.5% compared to RM251.51 million in the corresponding financial quarter. This substantial growth was primarily driven by revenue growth in the sale of ICT products segment, particularly through the commercial channel and online store channel.

Nevertheless, the Group's profit before tax for the current financial quarter ended 31 January 2026 decreased to RM10.09 million, a decrease of RM7.52 million or 42.7% from RM17.61 million in the corresponding financial quarter. This was primarily due to higher selling and distribution expenses, mainly attributable to increases in staff costs and commissions paid to third-party online marketplaces. Additionally, the Group recorded higher general and administrative expenses, primarily due to higher depreciation of property, plant and equipment as well as impairment losses on financial assets, which further impacted profitability.

B2. Comparison with the Immediate Preceding Quarter's Result

	Current Quarter	Immediate Preceding Quarter	Variance	
	31.01.2026	31.10.2025	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	383,544	384,884	(1,340)	(0.3)
Profit before tax	10,093	8,357	1,736	20.8
Profit after tax	5,072	10,094	(5,022)	(49.8)



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. Comparison with the Immediate Preceding Quarter's Result (Cont'd)

The Group's revenue for the current financial quarter ended 31 January 2026 decreased by RM1.34 million or 0.3% from RM384.88 million to RM383.54 million as compared with the immediate preceding financial quarter. The decrease was primarily due to a decline in revenue from the commercial and physical store channels. The decrease was partially offset by the growth in revenue from the online store channel, driven by higher consumer demand.

The Group's profit before tax for the current financial quarter ended 31 January 2026 rose by RM1.73 million or 20.8% to RM10.09 million as compared to RM8.36 million in the immediate preceding quarter, mainly driven by higher gross profit contributed by the commercial channel. The increase was partially offset by higher depreciation of property, plant and equipment as well as impairment losses on financial assets recorded during the current financial quarter.

Profit after tax of the Group for the current financial quarter ended 31 January 2026 decreased by RM5.02 million or 49.8%, from RM10.09 million to RM5.07 million as compared with the immediate preceding financial quarter. The higher profit after tax in the immediate preceding financial quarter was primarily due to the prior financial year's over-provision of tax expenses being recorded.

B3. Group's Prospects

The ICT products and services industry is expected to maintain robust growth, driven by the increasing integration of ICT into daily life by both individuals and businesses for routine and operational activities. Key contributing factors include the regular device replacement cycle, ongoing technological advancements, government-led digital transformation, and the adoption of ICT to promote digital education in schools.

In response to the positive outlook, in the past 1 year and up to the present, the Group has further expanded its physical presence across Malaysia, by opening several new multi-brand and brand specific stores in Penang and Selangor to support a broader customer base.

As businesses increasingly seek greater flexibility and control over the deployment of ICT products and services to better align with operational requirements, the shift away from large upfront capital investments is gaining momentum. In this context, the demand for Device-as-a-Service ("DaaS") subscriptions is expected to grow steadily over the long term. The Group remains focused on expanding its DaaS offerings to support both existing and prospective subscription agreements.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Group's Prospects (Cont'd)

Looking ahead, the Group remains firmly committed to innovation, with a strategic focus on adopting emerging technologies that align with its mission and core values. The Group recognises the transformative potential of Artificial Intelligence (“AI”) and anticipates that AI will play a pivotal role in driving its future growth and success. As the technological landscape continues to evolve, the Group is well-positioned to adapt and thrive amid increasingly dynamic and diverse market demands.

The Group provides AI-driven solutions aimed at enhancing operational efficiency and delivering personalised customer experiences. By integrating advanced AI technologies into its offerings, the Group delivers customised solutions that streamline workflows, optimise decision-making processes, and promote innovation. These solutions are designed to be both accessible and scalable, enabling organisations of all sizes to effectively navigate the digital landscape while supporting sustainable, long-term growth.

Through its initiatives, the Group seeks to make AI technologies more accessible, understandable, and impactful, thereby encouraging broader adoption across industries. This approach contributes to the development of a resilient, adaptable, and sustainable digital ecosystem that benefits businesses across multiple sectors.

In line with its commitment to strengthen AI capabilities and support Malaysia’s national AI transformation agenda, the Group has launched the SNS AI Factory—Malaysia’s first locally hosted, fully-managed AI cloud infrastructure. Powered by 64 NVIDIA Hopper graphics processing units (“GPUs”) across eight Dell PowerEdge XE9680 servers and supported by NVIDIA Quantum-2 InfiniBand networking alongside NVIDIA AI Enterprise software, the SNS AI Factory is strategically located at Telekom Malaysia’s KVDC facility in Cyberjaya.

The SNS AI Factory offers GPU-as-a-Service (“GPUaaS”), providing enterprises, government agencies, and academic institutions with secure, high-performance, and scalable AI computing resources. The purpose-built to accelerate AI adoption across industries, the facility offers flexible subscription models, AI readiness assessments, and proof-of-concept (“POC”) initiatives. Notably, half of the AI Factory’s computing capacity is allocated to commercial workloads, while the remaining capacity is dedicated to strengthening Malaysia’s AI ecosystem through structured training programmes, bootcamps, and industry-led hackathons.

This strategic initiative not only expands local access to advanced AI infrastructure but also positions the Group at the forefront of AI innovation in Malaysia. It aligns with national objectives to drive technological advancement, develop local talent, and promote the responsible and ethical deployment of AI development.

Looking ahead, the Group remains optimistic about the ICT industry’s outlook, supported by the rapid advancement of AI technologies. This continued evolution is expected to drive stronger demand for ICT products and services, reinforce the Group’s existing customer base, and create opportunities to expand market share by acquiring new clientele.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Variance of Profit Forecast

The Group did not issue any profit forecast for the current financial quarter.

B5. Income Tax Expense

The breakdown of income tax expense is as follows:

	Current Quarter 31.01.2026 RM'000	Current Year-to-date 31.01.2026 RM'000
Current taxation	1,490	13,233
Overprovision of tax expenses in the prior financial year	-	(3,810)
Underprovision of deferred tax in the prior financial year	2,214	2,214
Deferred tax expenses	1,317	1,317
	<u>5,021</u>	<u>12,954</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the fiscal year. Tax expense is recognised based on management's best estimate.

The effective tax rate of 21.98% for the current financial year-to-date was lower than the statutory tax rate due to overprovision of tax expenses in the prior financial year.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6. Profit Before Tax

Profit from operations is derived after (charging)/crediting the following:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026 RM'000	Corresponding Quarter 31.01.2025 RM'000	Current Year-to-date 31.01.2026 RM'000	Corresponding Year-to-date 31.01.2025 RM'000
Income from operators arising from right-of-use assets	1,223	1,375	5,293	5,762
Rental income	43	58	186	201
Interest income from:				
Finance lease receivables	998	950	4,277	3,100
Trade and other receivables	192	733	637	1,272
Cash and bank balances	124	35	507	114
Fixed deposits	89	64	358	429
Realised gain/(loss) on foreign exchange	(22)	(31)	38	(32)
Unrealised gain/(loss) on foreign exchange	(181)	323	(1,557)	114
Write back/(down) in values of inventories to net realisable values	(751)	83	(1,847)	(582)
Auditor's remuneration	(76)	(61)	(257)	(245)
Reversal of loss allowances/(loss allowances) recognised in profit or loss	(10,048)	290	(11,644)	1,084
Bad debts written off	-	-	(86)	-
Reversal of Impairment/(impairment losses) on finance lease receivable	2,441	-	(12,014)	-
Depreciation of:				
Property, plant and equipment	(3,421)	(672)	(5,565)	(2,412)
Right-of-use assets	(3,074)	(3,025)	(12,319)	(12,113)

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from the IPO

The gross proceeds raised from the IPO of RM90.72 million are intended to be utilised in the following manner:

Utilisation of proceeds ⁽¹⁾	Proposed utilisation RM'000	Actual utilisation RM'000	Unutilised amount RM'000	Estimated timeframe for unutilisation	Revised timeframe for unutilisation
Capital expenditure					
- Expansion of DaaS subscription-based service	30,900	(23,765)	7,135	36 months	72 months
- Set-up new retail stores	2,500	(1,250)	1,250	36 months	72 months
Construction of Regional Hub	18,000	(1,220)	16,780	36 months	72 months
Marketing activities for JOI [®]	1,500	(451)	1,049	36 months	72 months
Repayment of bank borrowings	20,000	(20,000)	-	12 months	N/A
General working capital	13,119	(13,119)	-	24 months	N/A
Estimated listing expenses	4,700	(4,700)	-	Immediately	N/A
	90,719	(64,505)	26,214 ⁽²⁾		

Notes:

⁽¹⁾ *The utilisation of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 27 July 2022.*

⁽²⁾ *On 25 June 2025, an announcement was issued to extend the time frame for the utilisation of the IPO proceeds allocated for working capital for additional 36 months up to 2 September 2028.*

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 January 2026 and 31 January 2025 are as follows:

	As at 31.01.2026 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
<u>Non-current</u>		
<u>Secured</u>		
Commodity Murabahah term financing	15,352	5,497
Term loans	-	19
Hire purchase payables	524	464
	15,876	5,980
<u>Unsecured</u>		
Lease liabilities	4,573	5,107
Other financing	39,079	13,404
	59,528	24,491
<u>Current</u>		
<u>Secured</u>		
Bankers' acceptances	60,737	53,326
Commodity Murabahah term financing	3,362	714
Term loans	19	206
Hire purchase payables	239	326
	64,357	54,572
<u>Unsecured</u>		
Lease liabilities	7,687	10,324
Other financing	17,778	4,741
	89,822	69,637
Total borrowings	149,350	94,128



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant, and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

B10. Dividend Proposed

Save as disclosed below, there were no other dividends declared or proposed during the current financial quarter under review.

On 10 December 2025, the Board of Directors approved a third interim single-tier dividend of 0.25 sen per ordinary share amounting to RM4,189,395 in respect of the financial year ended 31 January 2026, payable on 13 February 2026.

On 27 March 2026, the Board of Directors approved a fourth interim single-tier dividend of 0.25 sen per ordinary share amounting to RM4,189,395 in respect of the financial year ended 31 January 2026, payable on 26 May 2026.

B11. EPS

The basic and diluted EPS for the current financial quarter and year-to-date are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026	Corresponding Quarter 31.01.2025	Current Year-to-date 31.01.2026	Corresponding Year-to-date 31.01.2025
Profit net of tax attributable to the equity holders of the Company (RM'000)	5,072	10,020	45,969	30,303
Weighted average number of ordinary shares in issue (basic) ('000)	1,675,758	1,631,129	1,675,758	1,618,559
Basic EPS ⁽¹⁾ (sen)	0.30	0.61	2.74	1.87

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. EPS (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.01.2026	Corresponding Quarter 31.01.2025	Current Year-to-date 31.01.2026	Corresponding Year-to-date 31.01.2025
Profit net of tax attributable to the equity holders of the Company (RM'000)	5,072	10,020	45,969	30,303
Weighted average number of ordinary shares in issue (basic) ('000)	1,675,758	1,631,129	1,675,758	1,618,559
Effect of dilutive potential ordinary share - ESOS ('000)	52,342	54,130	52,342	54,130
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,728,100	1,685,259	1,728,100	1,672,689
Diluted EPS ⁽²⁾ (sen)	0.29	0.59	2.66	1.81

Notes:

- (1) *Basic EPS is calculated by dividing profit after tax attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective current and preceding financial quarters and financial year-to-date under review.*
- (2) *The diluted EPS has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible employees.*

B12. Status of Corporate Proposals

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

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 27 March 2026.