



## **AwanBiru Technology Berhad**

[Registration No. 201001038336]  
(Incorporated in Malaysia)

**Unaudited Interim Financial Report  
For the Quarter Ended 31 December 2024**

**AWANBIRU TECHNOLOGY BERHAD**

(Registration No. 201001038336)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024****AWANBIRU TECHNOLOGY BERHAD**

(Registration No.201001038336)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2024**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Year Quarter</b>	<b>Year Quarter</b>	<b>Year To Date</b>	<b>Year To Date</b>
<b>Note</b>	<b>31/12/2024</b>	<b>31/12/2023</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	5,349	12,154	11,890	28,625
Cost of sales	(3,520)	(5,059)	(6,711)	(15,632)
Gross profit	1,829	7,095	5,179	12,993
Other income	646	492	3,292	946
	2,475	7,587	8,471	13,939
Administrative expenses	(5,718)	(6,146)	(10,437)	(11,414)
Other expenses	(378)	(400)	(753)	(799)
Finance costs	(123)	(170)	(293)	(354)
(Loss)/Profit before taxation	<b>B5</b> (3,744)	871	(3,012)	1,372
Income tax expense	<b>B6</b> -	(205)	(150)	(305)
<b>Total comprehensive (expenses)/income for the financial period</b>	<b>(3,744)</b>	<b>666</b>	<b>(3,162)</b>	<b>1,067</b>
<b>(Loss)/Profit after taxation attributable to:-</b>				
Owners of the Company:	(3,737)	781	(3,143)	1,185
Non-controlling interest	(7)	(115)	(19)	(118)
	<b>(3,744)</b>	<b>666</b>	<b>(3,162)</b>	<b>1,067</b>
<b>Total comprehensive (expenses)/income attributable to:</b>				
Owners of the Company:	(3,737)	781	(3,143)	1,185
Non-controlling interest	(7)	(115)	(19)	(118)
	<b>(3,744)</b>	<b>666</b>	<b>(3,162)</b>	<b>1,067</b>
<b>Earnings Per Share attributable to owners of the Company (Sen)</b>				
Basic	<b>B12</b> (0.47)	0.10	(0.40)	0.15

The unaudited 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 from 1 July 2023 to 30 June 2024 and the accompanying explanatory notes attached to these interim financial statements.

**AWANBIRU TECHNOLOGY BERHAD**  
**(Registration No.201001038336)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
<b>Note</b>	<b>31/12/2024</b>	<b>30/6/2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	21,951	22,439
Investment properties	21,630	21,630
Development cost	-	-
	43,581	44,069
<b>CURRENT ASSETS</b>		
Contract costs	299	65
Trade and other receivables	320,228	322,846
Contract assets	16,192	45,633
Short-term investment	305	300
Cash and cash equivalents	17,842	19,147
Current tax assets	1,693	1,162
	356,559	389,153
<b>TOTAL ASSETS</b>	400,140	433,222
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	180,685	213,227
Borrowings	<b>B8</b> 3,725	3,707
Current tax liabilities	-	6
Contract liabilities	6,661	2,185
	191,071	219,125
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	<b>B8</b> 4,918	6,784
Redeemable Preference Shares "A"	152	152
Deferred tax liabilities	16,869	16,869
	21,939	23,805
<b>TOTAL LIABILITIES</b>	213,010	242,930
<b>NET ASSETS</b>	187,130	190,292
<b>EQUITY</b>		
Share capital	177,036	177,036
Treasury shares	(3,366)	(3,366)
Warrant reserve	19,812	19,812
LTIP reserve	-	-
Accumulated losses	(17,466)	(14,323)
Total equity attributable to owners of the Company	176,016	179,159
Non-controlling interest	11,114	11,133
<b>TOTAL EQUITY</b>	187,130	190,292
<b>TOTAL LIABILITIES &amp; EQUITY</b>	400,140	433,222
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)</b>	22.28	22.68

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2023 to 30 June 2024 and the accompanying explanatory notes attached to these interim financial statements.

**AWANBIRU TECHNOLOGY BERHAD**  
**(Registration No.201001038336)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 DECEMBER 2024**

	←-----Non-distributable----->					Distributable		
	Share Capital RM'000	Warrant Reserve RM'000	LTIP Reserve RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Attributable to owners of the Company RM'000	Non- controlling Interest RM'000	Total Equity RM'000
<b>At 30 June 2022 /1 July 2023</b>	176,997	19,812	25	(3,366)	(17,029)	176,439	11,414	187,853
Profit after taxation/Total comprehensive income for the year	-	-	-	-	2,706	2,706	(281)	2,425
Transaction with owners of the Company:-								
- Share options and LTIP shares granted	-	-	14	-	-	14	-	14
- Shares issued	39	-	(39)	-	-	-	-	-
	39	-	(25)	-	-	14	-	14
<b>At 30 June 2024</b>	<b>177,036</b>	<b>19,812</b>	<b>-</b>	<b>(3,366)</b>	<b>(14,323)</b>	<b>179,159</b>	<b>11,133</b>	<b>190,292</b>
Loss after taxation/Total comprehensive expenses for the year	-	-	-	-	(3,143)	(3,143)	(19)	(3,162)
<b>At 31 December 2024</b>	<b>177,036</b>	<b>19,812</b>	<b>-</b>	<b>(3,366)</b>	<b>(17,466)</b>	<b>176,016</b>	<b>11,114</b>	<b>187,130</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2023 to 30 June 2024 and the accompanying explanatory notes attached to these interim financial statements.

**AWANBIRU TECHNOLOGY BERHAD**  
**(Registration No.201001038336)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 DECEMBER 2024**

	<b>Current 6 months 31/12/2024 RM'000</b>	<b>Preceding Year 6 months 31/12/2023 RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(3,012)	1,372
Adjustments for:		
Depreciation of property and equipment	742	799
Interest income	107	(33)
Interest expense	293	354
Reversal of impairment on trade and other receivables	(1,663)	(268)
Operating ( loss)/profit before working capital changes	<u>(3,533)</u>	<u>2,224</u>
Working capital changes:-		
Changes in contract costs	(234)	6,108
Changes in contract assets	29,441	15,614
Changes in trade and other receivables	4,281	(5,643)
Changes in contract liabilities	4,476	685
Changes in trade and other payables	(32,542)	(19,816)
<b>CASH FLOW FROM/(FOR) OPERATING ACTIVITIES</b>	<u>1,889</u>	<u>(828)</u>
Interest paid	(293)	(354)
Income tax paid	(687)	(655)
<b>NET CASH FLOW FROM/(FOR) OPERATING ACTIVITIES</b>	<u>909</u>	<u>(1,837)</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(254)	(182)
Interest received	(107)	33
<b>NET CASH FLOW FOR INVESTING ACTIVITIES</b>	<u>(361)</u>	<u>(149)</u>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Repayment of term loans	(1,848)	(1,826)
(Increase)/Withdrawal of deposit pledged with a licensed bank	(11)	265
<b>NET CASH FLOW FOR FINANCING ACTIVITIES</b>	<u>(1,859)</u>	<u>(1,561)</u>
Net decrease in cash and cash equivalents	(1,311)	(3,547)
Cash and cash equivalents at beginning of the financial period	<u>18,149</u>	<u>11,872</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>16,838</u>	<u>8,325</u>
<b>CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD COMPRISES THE FOLLOWING:-</b>		
Cash and bank balances	16,533	7,989
Deposits with licensed banks	1,309	1,268
Short-term investments	305	336
	<u>18,147</u>	<u>9,593</u>
Less: Deposits pledged with licensed banks	(1,309)	(1,268)
	<u>16,838</u>	<u>8,325</u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period from 1 July 2023 to 30 June 2024 and the accompanying explanatory notes attached to these interim financial statements.

## **AWANBIRU TECHNOLOGY BERHAD**

(Registration No. 201001038336)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

### **NOTES TO THE INTERIM FINANCIAL REPORT**

#### **PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”)**

##### **A1. BASIS OF PREPARATION**

These condensed consolidated interim financial statements have been prepared in accordance with the requirement of Malaysian Financial Reporting Standards (“MFRSs”) 134 *Interim Financial Reporting*, IAS 34 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2023.

The accounting policies and methods of computation by the Group in this interim financial statement are consistent with those adopted in the financial statements for the period ended 30 June 2024 excepts for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2024.

At the beginning of the current financial year, the Group adopted new MFRSs, Amendments to MFRSs and an IC Interpretation (collectively referred to as "pronouncements") that have been issued by the MASB and are applicable as listed below: -

##### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a

Single Transaction

Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statement of the Group and of the Company except as follows:-

##### *Amendments to MFRS 101: Disclosure of Accounting Policies*

The Amendments to MFRS 101 ‘Disclosure of Accounting Policies’ did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures.

## AWANBIRU TECHNOLOGY BERHAD

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

### A2. CHANGES IN ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption except as follows:

#### *MFRS 18 Presentation and Disclosure of Financial Statements*

MFRS 18 ‘Presentation and Disclosure in Financial Statements’ will replace MFRS 101 ‘Presentation of Financial Statements’ upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: “operating”, “investing” and “financing” and introduces 2 new subtotals: “operating profit or loss” and “profit or loss before financing and income tax”. In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

**A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the audited annual financial statements for the financial year ended 30 June 2024 was not qualified.

**A4. SEASONAL OR CYCLICAL FACTORS**

The business operations of the Group for the quarter ended 31 December 2024 is not significantly affected by any seasonal or cyclical factors.

**A5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENT**

There were no material unusual items or events affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter ended 31 December 2024.

**A6. CHANGES IN ESTIMATES**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect to this interim financial report.

**A7. CHANGES IN DEBT AND EQUITY SECURITIES**

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial quarter.

**A8. VALUATION OF PROPERTY AND EQUIPMENT**

There was no revaluation of the property and equipment in the current financial quarter.

**A9. DIVIDENDS PAID**

There was no dividend paid during the current financial quarter.



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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

**A10. SEGMENTAL INFORMATION**

The Group's business segments reflect the internal reporting structure as follows:

- a) **Software & Services** – license distribution, implementation, system integration, managed services, application development, other cloud related solutions and services (IaaS, SaaS, PaaS, XaaS).
- b) **Talent** – provision of career placement, talent upskilling, reskilling, training and certification.
- c) **Concession** – delivery of total solution for the integrated and comprehensive core immigration system which includes design, customise, install, configure, test, commission and maintenance throughout the concession period.
- d) **Others** – investment holding and other inactive subsidiaries.

**AWANBIRU TECHNOLOGY BERHAD**

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

**A10. SEGMENTAL INFORMATION (CONT'D)**

	RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2024 (UNAUDITED)					RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2023 (UNAUDITED)				
	Software & Services RM'000	Talent RM'000	Concession RM'000	Others RM'000	Total RM'000	Software & Services RM'000	Talent RM'000	Concession RM'000	Others RM'000	Total RM'000
<b>Revenue</b>						<b>Revenue</b>				
External revenue	4,194	1,155	-	-	5,349	1,840	10,314	-	-	12,154
Inter-segment revenue	-	-	-	1,425	1,425	-	146	-	1,425	1,571
Segment revenue	4,194	1,155	-	1,425	6,774	1,840	10,460	-	1,425	13,725
Consolidation adjustments					(1,425)					(1,571)
Consolidated revenue					5,349					12,154
<b>Results</b>						<b>Results</b>				
Segment (loss)/profit before interest and taxation	(873)	(544)	(36)	(2,168)	(3,621)	627	3,322	(373)	(2,535)	1,041
Finance costs					(123)					(170)
Consolidation adjustments					-					-
<b>Total Loss Before Taxation</b>					<b>(3,744)</b>					<b>871</b>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

**A10. SEGMENTAL INFORMATION (CONT'D)**

	RESULTS FOR 6 MONTHS ENDED 31 DECEMBER 2024 (UNAUDITED)					RESULTS FOR 6 MONTHS ENDED 31 DECEMBER 2023 (UNAUDITED)					
	Software & Services RM'000	Talent RM'000	Concession RM'000	Others RM'000	Total RM'000	Software & Services RM'000	Talent RM'000	Concession RM'000	Others RM'000	Total RM'000	
<b>Continuing Operations</b>						<b>Continuing Operations</b>					
<b>Revenue</b>						<b>Revenue</b>					
External revenue	9,698	2,192	-	-	11,890	11,633	16,992	-	-	28,625	
Inter-segment revenue	-	-	-	2,850	2,850	-	260	-	2,850	3,110	
Segment revenue	9,698	2,192	-	2,850	14,740	11,633	17,252	-	2,850	31,735	
Consolidation adjustments					(2,850)					(3,110)	
Consolidated revenue					11,890					28,625	
<b>Results</b>						<b>Results</b>					
Segment profit/(loss) before interest and taxation	986	(1,017)	(62)	(2,626)	(2,719)	1,238	5,309	(381)	(4,440)	1,726	
Finance costs					(293)					(354)	
Consolidation adjustments					-					-	
<b>Total Loss Before Taxation</b>					<b>(3,012)</b>					<b>1,372</b>	

**AWANBIRU TECHNOLOGY BERHAD**

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024****A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM QUARTER**

There were no items, transactions or events of a material and unusual nature that have arisen since 31 December 2024 to the date of this announcement which would substantially affect the financial results of the Group for the current financial quarter that have not been reflected in the condensed financial statements.

**A12. CHANGES IN COMPOSITION OF THE GROUP**

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

**A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent assets. Contingent liabilities during the financial period were as follows: -

	<b>RM '000</b>
- Performance guarantee extended by a subsidiary to third party	1,458
- Dividend payable on Redeemable Preference Shares ("RPS")	28,804
	<u>30,262</u>

**A14. CAPITAL COMMITMENTS**

Capital commitments of the Group in respect of property and equipment as at 31 December 2024 are as follows:

	<b><u>RM'000</u></b>
- Approved but not contracted for	<u>280</u>

**A15. SIGNIFICANT RELATED PARTY TRANSACTIONS**

There were no significant related party transactions for the quarter ended 31 December 2024.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

**NOTES TO THE INTERIM FINANCIAL REPORT**

**PART B – ADDITIONAL INFORMATION AS REQUIRED BY MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

**B1. OPERATING SEGMENTS REVIEW**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Quarter 31/12/2024 RM'000	Preceding Year Quarter 31/12/2023 RM'000	Variance		Current Year to Date 31/12/2024 RM'000	Preceding Year to Date 31/12/2023 RM'000	Variance	
<b><u>Segmental Revenue:</u></b>			RM'000	(%)			RM'000	(%)
Software & Services	4,194	1,840	2,354	128%	9,698	11,633	(1,935)	-17%
Talent	1,155	10,460	(9,305)	-89%	2,192	17,252	(15,060)	-87%
Others	1,425	1,425	-	0%	2,850	2,850	-	0%
	6,774	13,725	(6,951)	-51%	14,740	31,735	(16,995)	-54%
Inter-segment Elimination	(1,425)	(1,571)	146	9%	(2,850)	(3,110)	260	8%
<b>Group</b>	<b>5,349</b>	<b>12,154</b>	<b>(6,805)</b>	<b>-56%</b>	<b>11,890</b>	<b>28,625</b>	<b>(16,735)</b>	<b>-58%</b>
<b><u>(Loss)/Profit Before Taxation</u></b>								
Software & Services	(918)	565	(1,483)	-262%	879	1,238	(359)	-29%
Talent	(592)	3,255	(3,847)	-118%	(1,131)	5,309	(6,440)	-121%
Concession	(36)	(373)	337	90%	(62)	(381)	319	84%
Others	(2,198)	(2,576)	378	15%	(2,698)	(4,794)	2,096	44%
	(3,744)	871	(4,615)	-530%	(3,012)	1,372	(4,384)	-320%
Inter-segment Elimination	-	-	-	-	-	-	-	-
<b>Group</b>	<b>(3,744)</b>	<b>871</b>	<b>(4,615)</b>	<b>-530%</b>	<b>(3,012)</b>	<b>1,372</b>	<b>(4,384)</b>	<b>-320%</b>

## **AWANBIRU TECHNOLOGY BERHAD**

(Registration No. 201001038336)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024**

### **B1. OPERATING SEGMENTS REVIEW (CONT'D)**

#### **THREE (3) MONTHS RESULTS (Q2 FY2025 vs Q2 FY2024)**

The Group revenue for the three (3) months period under review decreased from RM12.2 million in Q2 FY2024 to RM5.3 million in Q2 FY2025, mainly due to lower revenue from Talent segment.

The Group recorded a loss before taxation of RM3.7 million in Q2 FY2025 as compared to a profit before taxation of RM0.9 million in Q2 FY2024. Factors affecting the results for this quarter were as follows:

- i. Talent segment recorded a loss before taxation of RM0.6 million in Q2 FY2025 as compared to the profit before taxation of RM3.3 million in Q2 FY2024 due to a lower revenue in Q2 FY2025, mainly from Selangor Kerjaya program that has ended in December 2023, offset with
- ii. Others segment recorded a lower loss before taxation of 2.2 million in Q2 FY2025 as compared to a loss before taxation of RM2.6 million in Q2 FY2024 mainly due to the lower operating expenses in the current quarter, and
- iii. Software and services segment recorded a loss before taxation of RM0.9 million in Q2 FY2025 as compared to the profit before taxation of RM0.6 million in Q2 FY2024 due to lower incentives earned in Q2 FY2025.

#### **SIX (6) MONTHS RESULTS (YTD Q2 FY2025 vs YTD Q2 FY2024)**

The Group revenue for the six (6) months period under review decreased from RM28.6 million in YTD Q2 FY2024 to RM11.9 million in YTD Q2 FY2025, mainly due to lower revenue from Talent segment.

The Group recorded a loss before taxation of RM3.0 million in YTD Q2 FY2025 as compared to a profit before taxation of RM1.4 million in YTD Q2 FY2024. Factors affecting the results for this quarter were as follows:

- i. Talent segment recorded a loss before taxation of RM1.1 million in YTD Q2 FY2025 as compared to the profit before taxation of RM5.3 million in YTD Q2 FY2024 due to a lower revenue in YTD Q2 FY2025, mainly from Selangor Kerjaya program that has ended in December 2023, offset with
- ii. Others segment recorded a lower loss before taxation of 2.7 million in YTD Q2 FY2025 as compared to a loss before taxation of RM4.8 million in YTD Q2 FY2024 mainly due to higher other income and lower operating expenses, and
- iii. Software and services segment recorded a lower profit before taxation of RM0.9 million in YTD Q2 FY2025 as compared to the profit before taxation of RM1.2 million in YTD Q2 FY2024 due to lower revenue in YTD Q2 FY2025.

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**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS**

	<b>Current Quarter 31/12/2024 RM'000</b>	<b>Immediate Preceding Quarter 30/9/2024 RM'000</b>	<b>Variance</b>	
			<b>RM'000</b>	<b>(%)</b>
<b><u>Segmental Revenue:</u></b>				
Software & Services	4,194	5,504	(1,310)	-24%
Talent	1,155	1,037	118	11%
Others	1,425	1,425	-	0%
	6,774	7,966	(1,192)	-15%
Inter-segment Elimination	(1,425)	(1,425)	-	0%
<b>Group</b>	<b>5,349</b>	<b>6,541</b>	<b>(1,192)</b>	<b>-18%</b>
<b><u>(Loss)/Profit Before Taxation</u></b>				
Software & Services	(918)	1,796	(2,714)	-151%
Talent	(592)	(540)	(52)	-10%
Concession	(36)	(26)	(10)	-38%
Others	(2,198)	(498)	(1,700)	-341%
	(3,744)	732	(4,476)	-611%
Inter-segment Elimination	-	-	-	-
<b>Group</b>	<b>(3,744)</b>	<b>732</b>	<b>(4,476)</b>	<b>-611%</b>

The Group recorded a loss before taxation of RM3.7 million in Q2 FY2025 as compared to a profit before taxation of RM0.7 million in Q1 FY2025 due to lower revenue and incentives earned in the current quarter.

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### **B3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025**

The Group experienced a decline in Q2 FY2025, posting a loss of RM 3.7 million. The loss is primarily due to certain key deals that did not materialize as anticipated, which impacted short-term revenue generation. However, we remain optimistic about the long-term outlook, having strategically expanded into the States and Local Councils market. Additionally, customer adoption and utilization of Cloud infrastructure have ramped up, strengthening our position in the market.

In line with our transformation plan, we have launched new offerings, including Artificial Intelligence (AI), e-Invoicing, ERP, and Cybersecurity solutions. These additions significantly broaden our portfolio of Cloud-based services and are expected to drive sustained growth as we continue to expand our customer base and enhance our value proposition.

As Google Cloud's premier partner in Malaysia, we have established a strong presence in supporting the Government's digital transformation agenda. The Government's commitment to harnessing the transformative power of AI to strengthen the digital economy and drive sustainable development positions us well to support and scale the adoption of Google's latest generative AI capabilities among our customers.

With our continued focus on innovation and expanding our Cloud-based solutions, the Board and Management remain optimistic about the Group's outlook for FY2025. We are dedicated to enhancing our synergistic Cloud offerings and driving long-term value to foster growth for the Group.

### **B4. VARIANCE ON PROFIT FORECAST/PROFIT ESTIMATE**

The Group did not issue any profit forecast or profit estimate previously in any public document.



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**B5. (LOSS)/PROFIT BEFORE TAXATION**

(Loss)/Profit before taxation is derived after taking into consideration of the following:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Quarter 31/12/2024 RM'000</b>	<b>Preceding Year Quarter 31/12/2023 RM'000</b>	<b>6 months Current Year to date 31/12/2024 RM'000</b>	<b>6 months Preceding Year to date 31/12/2023 RM'000</b>
Interest expense	123	170	293	354
Interest income	(71)	(30)	(143)	(33)
Depreciation and amortisation	370	400	742	799
Foreign exchange (gain)/loss	(14)	142	(65)	144
Reversal of impairment losses on trade and other receivables	(15)	-	(1,663)	(268)

**B6. INCOME TAX EXPENSE**

The Group consolidated tax expense was computed based on the respective company's results separately. Certain companies within the Group reported profits before tax and therefore were taxable.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Quarter 31/12/2024 RM'000</b>	<b>Preceding Year Quarter 31/12/2023 RM'000</b>	<b>6 months Current Year to date 31/12/2024 RM'000</b>	<b>6 months Preceding Year to date 31/12/2023 RM'000</b>
Malaysia tax:				
- for the current year	-	150	150	250
- under provision in prior year	-	55	-	55
	-	205	150	305

## **B7. STATUS OF CORPORATE PROPOSALS**

The Company is implementing the following proposals that form part of the Group's rationalisation plan:

### **1. Long term incentive plan ("LTIP")**

The Company had, on 25 January 2021, announced that the effective date for the LTIP has been fixed to commence on 25 January 2021. The LTIP comprises the establishment of an employee share option scheme and share grant plan of up to 15% of the issued share capital of the Company at any point in time during the duration of the LTIP for eligible directors and employees of the Company and its subsidiaries.

The LTIP shall be in force for a period of five (5) years from the effective date and extendable for a period of up to another five (5) years immediately from the expiry of the five (5) years upon the recommendation of the LTIP Committee and shall not in aggregate exceed ten (10) years from the effective date or such longer period as may be permitted by Bursa Securities or any other relevant authorities.

### **2. Proposed scheme of arrangement**

Prestariang SKIN Sdn. Bhd. ("PSKIN") filed an Originating Summons on 15 November 2023 with the KLHC to convene a creditors' meeting under section 366 of the Companies Act 2016 for a scheme of arrangement ("SOA 2") and a restraining order against all legal proceedings during the restructuring process until the conclusion of the negotiations and legal proceedings by PSKIN to seek compensation from the Government of Malaysia ("GOM") for the termination of the SKIN contract ("GOM Proceedings").

Following the leave granted by the KLHC pertaining to the SOA 2 on 30 November 2023, a court-convened meeting took place on 22 December 2023 and was approved by the scheme creditors.

The objectives of the SOA 2 are, amongst others, to preserve the going concern of PSKIN while it engages in negotiations and legal proceedings to seek compensation from the GOM for the termination of the SKIN contract and to allow PSKIN to obtain the payment from GOM pursuant to the outcome of the GOM Proceedings and any appeals therefrom and consequently provide payment of its debts owing to the scheme creditors as compared to a liquidation scenario. The application is not expected to have any material impact on the financial and operational matters of the Company and its subsidiaries. Further, the Proposed Scheme does not involve any lenders of PSKIN or the Group.

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On 2 April 2021, the Company announced that Prestariang Tech Services Sdn. Bhd. ("PTSSB"), a wholly owned subsidiary of Awantec Services Sdn. Bhd., which in turn is a subsidiary of the Company, was undergoing a Creditors' Voluntary Winding Up.

Mr. Lim Tian Huat and Mr. Chiang Teng Guan of Messrs. Rodgers Reidy & Co. were appointed as the Joint and Several Liquidators for the Creditors' Voluntary Winding Up of PTSSB by a resolution of the Company and its Creditors at the First Creditor's Meeting held on 3 May 2021.

The Creditors' Voluntary Winding Up is part of an overall debt management exercise undertaken by the Company for the wholly owned subsidiaries of Awantec Services Sdn. Bhd. (namely PSKIN and PTSSB) following the termination of the SKIN Project. Further, PTSSB cannot by reason of its liabilities continue its business as usual.

**B8. BORROWINGS**

The Group's borrowing and debts securities as at 31 December 2024 are as follows:

	Long term borrowing		Short term borrowing			Total (RM'000)
	Secured	Total	Secured	Unsecured	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	
<b><u>Borrowings</u></b>						
- Term loan	4,918	4,918	3,725	-	3,725	8,643
<b><u>Debt Securities</u></b>						
- RPS "A"	152	152	-	-	-	152
Total	5,070	5,070	3,725	-	3,725	8,795

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### **B9. MATERIAL LITIGATION**

The Group initiated legal action by filing an Originating Summons (“OS”) dated 15 April 2019 against the Government of Malaysia (“GOM”) as Defendant seeking RM733 million in connection with the termination of the Sistem Kawalan Imigresen Nasional (“SKIN”) due to expropriation.

On 14 March 2024, the Kuala Lumpur High Court (“**KLHC**”) delivered its decision, ordering the following:

- I. The GOM is ordered to compensate PSKIN with the judgment sum of RM231,549,002.90 (“Judgment Sum”) for the termination of the Concession Agreement through expropriation;
- II. The GOM is ordered to pay the interest on the Judgement Sum at the rate of 5% per annum calculated from the date of judgement to the date of full satisfaction of the judgement to PSKIN; and
- III. The GOM is to ordered to pay the costs of RM80,000 (subject to allocator fees) to PSKIN.<sup>(1)</sup>

*Note:*

1. Subsequent to the case management held on 4 April 2024, the KLHC has clarified that the payment of costs of RM80,000 is not subject to allocator fees as the GOM is not obliged to pay allocator fees pursuant to the Chief Justice’s Practice Directions No.1 Year 2018.

Both the GOM and PSKIN have filed their respective Notices of Appeal to the Court of Appeal against the KLHC’s decision on 8 April 2024. The hearing for both appeals is now scheduled for 22 July 2025.

### **B10. FAIR VALUE HIERARCHY**

There were no transfers between any levels of the fair value hierarchy which took place during the current quarter and the comparative period. There was also no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

### **B11. PROPOSED DIVIDEND**

No interim dividend has been declared for the current quarter ended 31 December 2024.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024****B12. EARNINGS PER SHARE**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Quarter 31/12/2024</b>	<b>Preceding Year Quarter 31/12/2023</b>	<b>6 months Current Year to date 31/12/2024</b>	<b>6 months Preceding Year to date 31/12/2023</b>
(Loss)/Profit after taxation attributable to owners of the Company (RM'000)	(3,737)	781	(3,143)	1,185
Weighted average number of ordinary shares in issue ('000)	789,897	789,892	789,897	789,892
Basic (loss)/earnings per share (sen)	(0.47)	0.10	(0.40)	0.15

**B13. AUTHORISED FOR ISSUE**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2025.

**BY ORDER OF THE BOARD****CHUA SIEW CHUAN (SSM PC No. 201908002648)****LIM LIH CHAU (SSM PC No. 201908001454)**

Secretaries

**Kuala Lumpur****26 February 2025**