



**ICT ZONE ASIA BERHAD**  
(Registration No. 201901003459 (1312785-X))  
(Incorporated in Malaysia under the Companies Act 2016)

**FINANCIAL STATEMENTS FOR THE HALF-YEAR  
ENDED 31 JANUARY 2024**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY ICT ZONE ASIA BERHAD (“ICT ZONE ASIA” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2024 <sup>(1)</sup>**

	Unaudited As at 31 Jan 2024 RM'000	Audited As at 31 Jan 2023 RM'000
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	128,190	65,916
Investment properties	11,300	11,300
Right-of-use assets	357	263
Net investment in sub-lease	6,705	-
Intangible asset	18	-
<b>Total non-current assets</b>	<b>146,570</b>	<b>77,479</b>
<b>Current assets</b>		
Inventories	1,969	575
Trade receivables	22,799	17,066
Non-trade receivables, deposits and prepayments	5,907	1,002
Short-term money market funds	27	408
Fixed deposits with licensed banks	874	593
Net investment in sub-lease	3,558	-
Tax recoverable	923	354
Cash and bank balances	8,983	8,376
<b>Total current assets</b>	<b>45,040</b>	<b>28,374</b>
<b>Total assets</b>	<b>191,610</b>	<b>105,853</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to the owners of the Company</b>		
Share capital	38,265	28,124
Retained earnings	30,673	23,331
Merger reserve	(8,048)	(8,048)
<b>Equity attributable to owners of the parent</b>	<b>60,890</b>	<b>43,407</b>
Non-controlling interest ("NCI")	312	199
<b>Total equity</b>	<b>61,202</b>	<b>43,606</b>
<b>Non-current liabilities</b>		
Irredeemable convertible preference shares ("ICPS")	1,396	2,690
Borrowings	51,834	25,297
Lease liabilities	8,473	-
Deferred tax liabilities	9,995	8,241
<b>Total non-current liabilities</b>	<b>71,698</b>	<b>36,228</b>

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**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2024 (CONT'D) <sup>(1)</sup>**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at 31 Jan 2024</b>	<b>As at 31 Jan 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Current liabilities</b>		
Trade payables	16,144	10,039
Non-trade payables, deposits received and accruals	6,249	3,359
Borrowings	31,271	12,329
Lease liabilities	5,017	292
Tax payable	29	-
<b>Total current liabilities</b>	<b>58,710</b>	<b>26,019</b>
<b>Total liabilities</b>	<b>130,408</b>	<b>62,247</b>
<b>Total equity and liabilities</b>	<b>191,610</b>	<b>105,853</b>
<b>Net assets per share (RM) <sup>(2)</sup></b>	<b>0.10</b>	<b>0.08</b>

**Notes:**

- (1) *The basis of preparation of the Unaudited Consolidated Statement of Financial Position is detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 January 2023 as disclosed in the 2023 Annual Report and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Net assets per share is calculated based net assets attributable to ordinary equity holders of the Company over the Company's total number of issued shares of 533,757,500 and 587,133,200 ordinary shares as at 31 January 2023 and as at 31 January 2024, respectively.*

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**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 <sup>(1)</sup>**

	Individual 6 months ended		Cumulative 12 months ended	
	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	56,193	41,834	114,428	75,058
Cost of sales	(43,317)	(32,899)	(93,527)	(59,261)
<b>Gross profit</b>	<b>12,876</b>	<b>8,935</b>	<b>20,901</b>	<b>15,797</b>
Other income	327	322	662	798
Other operating expenses	(4,285)	(3,414)	(8,868)	(6,832)
<b>Profit from operations</b>	<b>8,918</b>	<b>5,843</b>	<b>12,695</b>	<b>9,763</b>
Finance costs	(2,536)	(1,134)	(3,723)	(1,587)
<b>Profit before taxation</b>	<b>6,382</b>	<b>4,709</b>	<b>8,972</b>	<b>8,176</b>
Taxation	(663)	(782)	(1,517)	(1,800)
<b>Profit for the financial period/year, representing total comprehensive income for the financial period/year</b>	<b>5,719</b>	<b>3,927</b>	<b>7,455</b>	<b>6,376</b>
<b>Total comprehensive income for the financial period/year attributable to:</b>				
Owners of the Company	5,324	3,888	7,342	6,338
Non-controlling interest	395	39	113	38
	<b>5,719</b>	<b>3,927</b>	<b>7,455</b>	<b>6,376</b>
<b>Earnings per share ("EPS") (sen):</b>				
- Basic <sup>(2)</sup>	0.91	0.73	1.25	1.19
- Diluted <sup>(3)</sup>	0.80	0.64	1.11	1.04

**Notes:**

- (1) *The basis of preparation of the Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 January 2023 as disclosed in the 2023 Annual Report and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Basic EPS is calculated based on the Company's weighted average number of ordinary shares of 533,757,500 and 587,133,200 ordinary shares for the financial year ended 31 January 2023 and 31 January 2024, respectively.*
- (3) *Diluted EPS is calculated based on the number of ordinary shares in issue (after adjusting for the dilutive effects of the ICPS) of 609,077,500 and 662,453,200 ordinary shares for the financial year ended 31 January 2023 and 31 January 2024.*

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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 <sup>(1)</sup>**

	← Attributable to the owners of the parent →			Total RM'000	Non- controlling interest RM'000	Total RM'000
	← Non-distributable →		Distributable			
	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000			
<b>As at 1 February 2022</b>	28,124	(8,048)	16,993	37,069	161	37,230
Profit for the financial year, representing total comprehensive income for the financial year	-	-	6,338	6,338	38	6,376
<b>As at 31 January 2023</b>	<b>28,124</b>	<b>(8,048)</b>	<b>23,331</b>	<b>43,407</b>	<b>199</b>	<b>43,606</b>
<b>As at 1 February 2023</b>	28,124	(8,048)	23,331	43,407	199	43,606
Issuance of shares	10,141	-	-	10,141	-	10,141
Profit for the financial year, representing total comprehensive income for the financial year	-	-	7,342	7,342	113	7,455
<b>As at 31 January 2024</b>	<b>38,265</b>	<b>(8,048)</b>	<b>30,673</b>	<b>60,890</b>	<b>312</b>	<b>61,202</b>

Note:

- (1) The basis of preparation of the Unaudited Consolidated Statement of Changes in Equity is detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 January 2023 as disclosed in the 2023 Annual Report and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED  
31 JANUARY 2024 <sup>(1)</sup>**

	12 months ended	
	Unaudited 31 Jan 2024 RM'000	Audited 31 Jan 2023 RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	8,972	8,176
Adjustments for:		
Depreciation of property, plant and equipment	35,324	21,441
Depreciation of right-of-use assets	147	112
Fair value gain on investment fund	(9)	(8)
Gain on disposal of property, plant and equipment	(1,189)	(1,439)
Gain on disposal of net investment in sub-lease	(1,208)	-
Impairment on trade receivable	9	-
Interest expenses	3,722	1,578
Interest income from net investment in sub-lease	(144)	(364)
Interest income	-	(8)
Property, plant and equipment written off <sup>(2)</sup>	-	-
<b>Operating profit before working capital changes</b>	45,624	29,488
(Increase)/Decrease in inventories	(1,394)	328
Increase in receivables	(10,646)	(7,930)
Decrease in net investment in sub-lease	779	-
Increase in payables	8,993	4,147
<b>Cash generated from operations</b>	43,356	26,033
Interest received from net investment in sub-lease	144	364
Tax paid	(302)	(220)
<b>Net cash from operating activities</b>	43,198	26,177
<b>Cash Flows From Investing Activities</b>		
Acquisition of cash investment	-	(500)
Acquisition of intangible asset	(18)	-
Acquisition of property, plant and equipment	(99,395)	(46,323)
Interest received	-	8
Net changes in fixed deposits with licensed banks	(281)	163
Proceeds from disposal of property, plant and equipment	2,986	3,334
Proceed from redemption of short-term cash investment	390	100
<b>Net cash used in investing activities</b>	(96,318)	(43,218)

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONT'D) <sup>(1)</sup>**

	12 months ended	
	Unaudited	Audited
	31 Jan 2024	31 Jan 2023
	RM'000	RM'000
<b>Cash Flows From Financing Activities</b>		
Dividend paid	(1,506)	(1,506)
Drawdown of lease liabilities	4,678	-
Drawdown of term loan	66,300	26,410
Interest paid - lease liabilities	(252)	(14)
Interest paid – term loan	(3,257)	(1,257)
Proceeds from issuance of ordinary shares	10,141	-
Repayment of lease liabilities	(1,556)	(109)
Repayment of term loan	(20,821)	(7,571)
<b>Net cash from financing activities</b>	<u>53,727</u>	<u>15,953</u>
Net increase/(decrease) in cash and cash equivalents	607	(1,088)
Cash and cash equivalents at the beginning of the financial year	8,376	9,464
<b>Cash and cash equivalents at the end of the financial year</b>	<u><b>8,983</b></u>	<u><b>8,376</b></u>
<b>Cash and cash equivalents at the end of the financial year comprise:</b>		
Cash and bank balances	8,983	8,376
<b>Total cash and cash equivalents</b>	<u><b>8,983</b></u>	<u><b>8,376</b></u>

*Notes:*

- (1) *The basis of preparation of the Unaudited Consolidated Statement of Cash Flows is detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 January 2023 as disclosed in the 2023 Annual Report and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Less than RM1,000.*

## ICT ZONE ASIA BERHAD

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### A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

#### A1. BASIS OF PREPARATION

The interim financial statements of ICT Zone Asia and its subsidiaries (the “**Group**”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting.

This is the interim financial report on the consolidated results for the financial year ended 31 January 2024 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities (“**Listing Requirements**”).

The interim financial report should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 January 2023, as disclosed in the 2023 Annual Report and the accompanying explanatory notes attached to this interim financial report.

#### A2. CHANGES IN ACCOUNTING POLICIES

##### (a) Standards issued and effective

On 1 February 2023, the Company adopted the following accounting standards, amendments and interpretations, which are mandatory for annual financial periods beginning on or after 1 January 2023:

##### Description

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts*: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates*: Definition of Accounting Estimates
- Amendments to MFRS 112, *Income Tax*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Directors expect that the adoption of the new and amended MFRS above will have no impact on the Company’s financial statements.

##### (b) Standards issued but not yet effective

The Company has not adopted the following new MFRSs, interpretations and amendments that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 16, <i>Leases: Lease Liability in a Sale and Leaseback</i>	1 January 2024
• Amendments to MFRS 101, <i>Presentation of Financial Statements</i> : Non-current Liabilities with Covenants	1 January 2024
• Amendments to MFRS 107, <i>Statements of Cash Flows</i> and MFRS 7, <i>Financial Instruments: Disclosures</i> : Supplier Finance Arrangements	1 January 2024



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**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONT'D)****A2. CHANGES IN ACCOUNTING POLICIES (CONT'D)**

(b) Standards issued but not yet effective (cont'd)

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
<ul style="list-style-type: none"> <li>• Amendments to MFSR 121, <i>The Effect of Changes in Foreign Exchange Rates: Lack of Exchangeability</i></li> </ul>	1 January 2025
<ul style="list-style-type: none"> <li>• Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investment in Associate and Joint Ventures: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture</i></li> </ul>	Deferred

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impact on the financial statements of the Company.

**A3. SEASONAL AND CYCLICAL FACTORS**

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

**A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial year under review.

**A5. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates in the current financial year under review that have not been reflected in this interim financial report.

**A6. DEBT AND EQUITY SECURITIES**

Saved as disclosed below, there were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current financial year under review:

On 14 June 2023, Malacca Securities Sdn Bhd had, on behalf of the Company, announced that the Company proposed to undertake a private placement of up to 53,375,750 new ICT Zone Asia Shares ("**Placement Shares**"), representing 10% of the total number of issued ordinary shares in the Company ("**ICT Zone Asia Shares**") ("**Private Placement**"). Bursa Securities had, vide its letter dated 13 July 2023, noted that up to 53,375,750 new ICT Zone Asia Shares arising from the Private Placement will be listed and quoted on the LEAP Market of Bursa Securities.

On 3 November 2023, the Company completed the Private Placement following the issuance of 53,375,700 ICT Zone Asia Shares at RM0.19 each, which resulted in an enlarged 587,133,200 ICT Zone Asia Shares.

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**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONT'D)****A7. SEGMENTAL INFORMATION**

The Group's revenue is derived from four (4) segments, which include technology financing, trading of information communication and technology ("ICT") solutions, provision of ICT services as well as provision of cloud solutions and services. The Group's revenue based on business segments is presented as follows:

	Individual 6 months ended		Cumulative 12 months ended	
	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
		Restated		Restated
	RM'000	RM'000	RM'000	RM'000
Technology financing	28,469	17,494	49,359	33,115
Trading of ICT solutions	20,882	21,365	55,631	37,114
Provision of ICT services	116	80	277	253
Cloud solutions and services	6,726	2,895	9,161	4,576
<b>Total</b>	<b>56,193</b>	<b>41,834</b>	<b>114,428</b>	<b>75,058</b>

**A8. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL YEAR**

On 16 Feb 2024, the Company received a letter from its major shareholder, namely ICT Zone Holding Sdn Bhd ("**ICT Zone Holding**"), requesting the Company's Board of Directors to consider undertaking the Proposed Withdrawal and Proposed Listing (as defined herein).

Subsequently, on 19 February 2024, the Company proposes to undertake the following:-

- proposed voluntary withdrawal of ICT Zone Asia's listing from the LEAP Market of Bursa Securities ("**Proposed Withdrawal**");
- proposed listing and quotation of the entire enlarged issued ordinary shares of ICT Zone Asia on the ACE Market of Bursa Securities ("**Proposed Listing**"); and
- proposed amendments to the Constitution of ICT Zone Asia to facilitate compliance with the ACE Market Listing Requirements of Bursa Securities pursuant to the Proposed Listing and the Companies Act 2016 ("**Proposed Amendments**"),

(collectively referred to as the "**Proposals**").

Subject to the Company's shareholders and ICPS holders approving the Proposals at the respective extraordinary general meetings ("**EGM**") to be convened, the application for the Proposals shall be made to Bursa Securities in accordance with Rule 8.08 of the LEAP Market Listing Requirements of Bursa Securities and Paragraph 2.0 of Guidance Note 15 of the ACE Market Listing Requirements of Bursa Securities upon the completion of, amongst others, the due diligence as well as related preparation works in relation to the Proposals and the Company's shareholders and ICPS holders approve the Proposals at the respective EGM to be convened.

**A9. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial year under review.

## ICT ZONE ASIA BERHAD

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### A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONT'D)

#### A10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

##### Contingent liabilities

On 2 May 2023, Rhipe Malaysia Sdn. Bhd. ("**Rhipe**"), an authorised reseller and/or distributor of Microsoft products and services, had demanded a payment of RM2.2 million via two invoices ("**Alleged Outstanding Sums**") for the usage from 1 November 2022 to 31 December 2022 ("**Usage**") in relation to the Group subscription on Microsoft Azure Stack Demo Account ("**Demo Account**"). The Group has disputed the Alleged Outstanding Sums on, amongst others, the basis that the Demo Account has been inactive for many years and the Group did not acquire the service for the Usage.

On 4 September 2023, the Company received a letter of demand dated 1 September 2023 from Rhipe's lawyer addressed to the Company to claim for the sum of RM2.2 million being outstanding sum due and payable for the Usage as at 24 July 2023 ("**the Letter of Demand**"). The Letter of Demand addressed to the Company is an invalid demand by virtue of the principle of a separate legal entity. The Company has responded to the aforementioned letter of demand, stating that it has no knowledge of the allegations therein and denies the claims by Rhipe on 15 September 2023.

Subsequently, on 19 January 2024, the Group issued a letter to request for discovery against Rhipe through their lawyer, seeking clarification on pertinent matters relating to their claim. As at the date of this interim financial report, no response has been received from Rhipe's lawyer.

##### Contingent assets

There were no contingent assets as at the date of this interim financial report.

#### A11. CAPITAL COMMITMENTS

The capital commitment in respect of property, plant and equipment as at the date of this interim financial report were as follows:

	<b>31 Jan 2024</b>
	<b>RM'000</b>
<b>Approved but not contracted:</b>	
Property, plant and equipment	309

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**B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS****B1. REVIEW OF PERFORMANCE**(a) Financial Year-To-Date vs. Previous Financial Year-To-Date

	Cumulative 12 months ended			
	31 Jan 2024	31 Jan 2023	Variance	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
Technology financing	49,359	33,115	16,244	49.1%
Trading of ICT solutions	55,631	37,114	18,517	49.9%
Provision of ICT services	277	253	24	9.5%
Cloud solutions and services	9,161	4,576	4,585	100.2%
	<u>114,428</u>	<u>75,058</u>	<u>39,370</u>	<u>52.5%</u>
<b>Profit after tax</b>	<u>7,455</u>	<u>6,376</u>	<u>1,079</u>	<u>16.9%</u>

The increase in the Group's revenue was attributed to growth across all segments, driven by the extension of expired rental contracts and additional contracts secured during the current financial year. The additional funds obtained from Private Placement and financing obtained from the financial institutions as well as a better pricing strategy implemented by the Group, enabled the Group to secure additional contracts from the corporate and government sectors in the current financial year.

The increase in the Group's profit after tax ("**PAT**") was mainly attributable to the higher gross profit as a result of the increase in the Group's revenue as explained above. The increase in gross profit was partially offset by an increase in finance cost and staff costs with additional headcount to support the Group's business expansion and one-off expenses for Private Placement.

(b) Current Period vs. Previous Year Corresponding Period

	Individual 6 months ended			
	31 Jan 2024	31 Jan 2023	Variance	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
Technology financing	28,469	17,494	10,975	62.7%
Trading of ICT solutions	20,882	21,365	(483)	-2.3%
Provision of ICT services	116	80	36	45.0%
Cloud solutions and services	6,726	2,895	3,831	132.3%
	<u>56,193</u>	<u>41,834</u>	<u>14,359</u>	<u>34.3%</u>
<b>Profit after tax</b>	<u>5,719</u>	<u>3,927</u>	<u>1,792</u>	<u>45.6%</u>

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**B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)****B1. REVIEW OF PERFORMANCE (CONT'D)**(b) Current Period vs. Previous Year Corresponding Period (cont'd)

The increase in the Group's revenue was mainly attributable to the increase in the technology financing segment and cloud solutions and services segments, driven by the extension of expired rental contracts and additional contracts secured during the current financial period. The additional funds obtained from Private Placement and financing obtained from the financial institutions as well as a better pricing strategy implemented by the Group, enabled the Group to secure additional contracts from the corporate and government sectors in the current financial year.

The increase in the Group's PAT was mainly attributed to the higher revenue contributed by the technology financing segment resulting from the newly secured contracts and extension of expired rental contracts.

(c) Current Period vs. Immediate Preceding Period

	Individual 6 months ended			
	31 Jan 2024	31 Jul 2023	Variance	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
Technology financing	28,469	20,890	7,579	36.3%
Trading of ICT solutions	20,882	34,749	(13,867)	-39.9%
Provision of ICT services	116	161	(45)	-28.0%
Cloud solutions and services	6,726	2,435	4,291	176.2%
	<u>56,193</u>	<u>58,235</u>	<u>(2,042)</u>	<u>-3.5%</u>
<b>Profit after tax</b>	<u>5,719</u>	<u>1,736</u>	<u>3,983</u>	<u>229.4%</u>

The decrease in the Group's revenue was mainly due to the reduction in revenue from the Group's trading of ICT solutions segment.

However, the significant increase in the Group's PAT was mainly attributed to the higher revenue and improved gross profit margin contributed by the technology financing segment and cloud solutions and services segments, resulting from the newly secured contracts and extension of expired rental contracts.

**B2. COMMENTARY ON PROSPECTS**

The Group remains committed and focused on growing its technology financing segment, which contributed 43.5% of the Group's revenue in the current financial period. As at 31 January 2024, the Group had increased the total unbilled order book of the technology financing segment over the next 3 financial years to approximately RM236.0 million, from RM181.4 million as at 31 January 2023.

In addition, the Group will persist in driving growth in its cloud solutions and services segment. As at 31 January 2024, the total unbilled order book for the next 3 financial years in the cloud solutions and services segment stands at approximately RM15.2 million, from RM8.1 million as at 31 January 2023.

**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation or announcement.

**ICT ZONE ASIA BERHAD**

(Registration No. 201901003459 (1312785-X))

**C OTHER INFORMATION****C1. STATUS OF CORPORATE PROPOSALS**

Save for the Proposals as described in A8 above, there were no corporate proposals announced as at the date of this interim financial report.

**C2. MATERIAL LITIGATION**

No material litigations were pending as at the date of this interim financial report.

**C3. DIVIDENDS**

In accordance with the terms of the ICPS, as set out in Appendix I of the Company's Information Memorandum dated 6 November 2020, the Company has paid a preference dividend of RM0.02 per ICPS on 16 October 2023.

Save for the above, the Board does not recommend any dividend for the current financial year under review.

**C4. UTILISATION OF PROCEEDS**

As at the date of this interim financial report, the status of utilisation of the gross proceeds raised from the 53,375,700 ICT Zone Asia Shares issued at RM0.19 each pursuant to the Private Placement is as follows:-

<u>Utilisation purposes</u>	<u>Proposed Utilisation</u>	<u>Actual Utilisation</u>	<u>Balance</u>	<u>Estimated timeframe for utilisation from receipt of proceeds</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	
Working capital	10,344	10,344	-	Within 12 months
Defray estimated expenses for the Private Placement	70	70	-	Within 1 month
<b>Total</b>	<b><u>10,414</u></b>	<b><u>10,414</u></b>	<b><u>-</u></b>	