



IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)
Registration No: 201801039812 (1301843-D)

**FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED
30 JUNE 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 AND 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 US. SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN US AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Unaudited 30.06.2024 RM'000	Group	Audited 30.06.2023 RM'000
ASSETS			
NON-CURRENT ASSETS			
Equipment	505		638
Intangible assets	-		24
	505		662
CURRENT ASSETS			
Inventories	66		154
Trade receivables	1,412		1,334
Other receivables, deposits and prepayments	225		67
Fixed deposit with a licensed bank	3,900		4,112
Cash and bank balances	1,341		461
	6,944		6,128
TOTAL ASSETS	7,449		6,790
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4,095		4,095
Merger deficit	(675)		(675)
Retained profits	2,227		1,470
TOTAL EQUITY	5,647		4,890
NON-CURRENT LIABILITY			
Hire purchase payables	292		378
CURRENT LIABILITIES			
Trade payables	10		11
Other payables and accruals	1,201		1,155
Amount owing to directors	6		-
Hire purchase payables	81		79
Current tax liabilities	212		277
	1,510		1,522
TOTAL LIABILITIES	1,802		1,900
TOTAL EQUITY AND LIABILITIES	7,449		6,790
NET ASSETS PER SHARE (sen)⁽¹⁾	1.13		0.98



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Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

- (1) Net assets per share is calculated based on the Group's number of ordinary shares in issue of 500,000,000 as at the end of the financial reporting period.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED (“FYE”) 30 JUNE 2024

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2024 RM'000	30.06.2023 RM'000	30.06.2024 RM'000	30.06.2023 RM'000
Revenue	4,274	3,420	7,984	6,606
Cost of sales	(1,696)	(1,522)	(3,311)	(2,882)
Gross profit	2,578	1,898	4,673	3,724
Other income	105	52	181	84
Selling and marketing expenses	(738)	(484)	(1,323)	(829)
Administrative expenses	(519)	(477)	(966)	(906)
Other expenses	(137)	(113)	(248)	(233)
Finance costs	(6)	(6)	(12)	(12)
Net reversal of impairment losses on financial assets	100	17	70	24
Profit/(Loss) before taxation	1,383	887	2,375	1,852
Income tax expense	(344)	(240)	(618)	(516)
Profit/(Loss) after taxation/ total comprehensive income/(expenses) for the financial period/year	1,039	647	1,757	1,336
Profit/(Loss) after taxation/ total comprehensive income/(expenses) for the financial period/year attributable to:-				
Owners of the Company	1,039	647	1,757	1,336
Earnings/(Loss) per share (sen)				
Basic/ Diluted ⁽¹⁾	0.21	0.13	0.35	0.27

Note:

⁽¹⁾ Earnings/Loss per share is calculated based on the Group's number of ordinary shares in issue of 500,000,000 as at the end of the financial reporting period.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE
FYE 30 JUNE 2024**

	Share Capital RM'000	Merger Deficit RM'000	Retained Profits RM'000	Total Equity RM'000
The Group				
Balance at 1.7.2022	4,095	(675)	1,134	4,554
Profit after taxation/Total comprehensive income for the financial year	-	-	1,336	1,336
Dividend paid	-	-	(1,000)	(1,000)
Balance at 30.06.2023/01.07.2023	4,095	(675)	1,470	4,890
Profit after taxation/Total comprehensive income for the financial year	-	-	1,757	1,757
Dividend paid	-	-	(1,000)	(1,000)
Balance at 30.06.2024	4,095	(675)	2,227	5,647

Note:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FYE 30 JUNE 2024

	Unaudited 30.06.2024 RM'000	Audited 30.06.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,375	1,852
Adjustments for:-		
Amortisation of intangible asset	24	40
Depreciation of equipment	194	186
Depreciation of right-of-use asset	-	7
Bad debts written off	24	-
Impairment losses on trade receivables	207	261
Interest expense	12	12
Interest income	(181)	(83)
Reversal of impairment losses on trade receivables	(277)	(285)
Operating profit before working capital changes	2,378	1,990
Decrease/(Increase) in inventories	88	(82)
(Increase)/Decrease in trade and other receivables	(190)	691
Increase/(Decrease) in trade and other payables	45	(244)
Increase in amount owing to directors	6	-
CASH FLOWS FROM OPERATIONS	2,327	2,355
Income tax paid	(683)	(524)
NET CASH FROM OPERATING ACTIVITIES	1,644	1,831
CASH FOR INVESTING ACTIVITIES		
Interest received	181	83
Purchase of equipment	(61)	(31)
Decrease/ (Increase) in fixed deposits with tenure more than 3 months	612	(1,912)
NET CASH FROM/(FOR) INVESTING ACTIVITIES	732	(1,860)
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividend paid	(1,000)	(1,000)
Repayment of hire purchase obligations	(84)	(84)
Interest paid	(12)	(12)
Repayment of lease liability	-	(8)
NET CASH FOR FINANCING ACTIVITIES	(1,096)	(1,104)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,280	(1,133)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	1,461	2,594
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	2,741	1,461

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FYE 30 JUNE 2024 (CONT'D)

	Unaudited 30.06.2024 RM'000	Audited 30.06.2023 RM'000
THE CASH AND CASH EQUIVALENTS COMPRISE:		
Fixed deposit with a licensed bank	3,900	4,112
Cash and bank balances	<u>1,341</u>	<u>461</u>
	5,241	4,573
Less: Fixed deposits with tenure more than 3 months	<u>(2,500)</u>	<u>(3,112)</u>
CASH AND CASH EQUIVALENTS	<u>2,741</u>	<u>1,461</u>

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

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A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR FYE 30 JUNE 2024

A1. BASIS OF PREPARATION

The financial statements of IDB Technologies Berhad and its subsidiary (“Group”) are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

These unaudited interim financial statements have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Part C, Rule 6.12 and Part A, Appendix 6A of the LEAP Listing Requirements issued by Bursa Securities.

These unaudited interim financial statements should be read in conjunction with the audited financial statements for the FYE 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

A2. MATERIAL ACCOUNTING POLICY INFORMATION

During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

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 Group’s financial statements.

A2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
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

The adoption of the above accounting standards and/or interpretation (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the Group's most recent annual audited financial statements for the FYE 30 June 2023 were not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY FACTORS

Generally, our Group's business is not subjected to any anomalous cyclical or seasonal trend.

A5. UNUSUAL ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the semi-annual period and FYE 30 June 2024.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in critical accounting estimates and judgments during the FYE 30 June 2024.



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A7. DEBT AND EQUITIES SECURITY

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the FYE 30 June 2024.

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A8. SEGMENTAL INFORMATION

The Group's revenue based on its activities is presented as follows:

(a) By segments

Revenue	Individual 6 months ended				Cumulative 12 months ended			
	30 June 2024		30 June 2023		30 June 2024		30 June 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Proprietary software	3,145	73.58	2,264	66.20	5,791	72.53	4,527	68.53
Hardware	197	4.61	505	14.77	515	6.45	834	12.62
Other services and solutions	932	21.81	651	19.03	1,678	21.02	1,245	18.85
Total	4,274	100.00	3,420	100.00	7,984	100.00	6,606	100.00

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A8. SEGMENTAL INFORMATION

The Group's revenue based on its activities is presented as follows:

(b) By locations

	Individual unaudited 6 months ended				Cumulative unaudited 6 months ended			
	30 June 2024		30 June 2023		30 June 2024		30 June 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia								
- Klang Valley	1,586	37.11	1,634	47.78	3,087	38.66	2,844	43.05
- Pahang	596	13.94	315	9.21	998	12.50	542	8.21
- Sabah	370	8.66	159	4.65	560	7.01	425	6.43
- Penang	334	7.81	285	8.33	570	7.14	612	9.26
- Others	919	21.51	818	23.91	2,023	25.35	1,762	26.67
	3,805	89.03	3,211	93.88	7,238	90.66	6,185	93.62
Overseas								
- Cambodia	358	8.38	122	3.57	541	6.78	272	4.12
- Indonesia	78	1.82	32	0.94	147	1.84	34	0.52
- Singapore	30	0.70	55	1.61	53	0.66	115	1.74
- Vietnam	3	0.07	-	-	5	0.06	-	-
	469	10.97	209	6.12	746	9.34	421	6.38
Total	4,274	100.00	3,420	100.00	7,984	100.00	6,606	100.00

A9. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

There were no material events subsequent to the end of the reporting period that have not been reflected in the interim financial statement.

A10. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the FYE 30 June 2024.

A11. CAPITAL COMMITMENTS

Capital commitments of the Group in respect of the property, plant and equipment not provided for as at FYE 30 June 2024 are as follows:

Purchase of property	RM'000 941
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A12. CONTINGENT ASSETS AND LIABILITIES

There were no material contingent assets and liabilities as at 30 June 2024.

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B. ADDITIONAL INFORMATION REQUIRED UNDER LEAP MARKET LISTING REQUIREMENTS

B1. ANALYSIS OF FINANCIAL PERFORMANCE

(a) Comparison between current financial year and the preceding financial year

The Group recorded a revenue of approximately RM7.98 million for the current FYE 30 June 2024, as compared to approximately RM6.61 million in the previous financial year, representing an increase of approximately RM1.37 million or 20.73%. Our revenue is mainly derived from sales of proprietary software amounting to RM5.79 million or 72.53% of the total revenue.

The higher revenue generated is mainly from:

- (i) Higher number of projects being secured and implemented in FYE 30 June 2024;
- (ii) Higher other revenue by RM0.43 million mainly from training and implementation services.

In line with the increase of revenue, the Group recorded higher gross profit of approximately RM4.67 million in FYE 30 June 2024 compared to the gross profit of approximately RM3.72 million in FYE 30 June 2023, representing an increase of approximately RM0.95 million or 25.54%.

The Group recorded a profit after tax for the current FYE 30 June 2024 of approximately RM1.76 million as compared to approximately RM1.34 million for FYE 30 June 2023, representing an increase of RM0.42 million or 31.34%, which is in line with higher revenue generated.

(b) Comparison between current 6 months financial period (“2H FYE 2024”) and preceding year corresponding 6 months financial period (“2H FYE 2023”)

For 2H FYE 2024, the Group recorded higher revenue of approximately RM4.27 million as compared to approximately RM3.42 million in 2H FYE 2023, representing an increase of approximately RM0.85 million or 24.85%.

In line with the increase of revenue, the Group recorded higher profit after tax of approximately RM1.04 million in 2H FYE2024 as compared to profit after taxation of approximately RM0.65 million in 2H FYE2023, representing an increase of RM0.39 million or 60.00%.

(c) Comparison between 2H FYE2024 and immediate preceding 6 months financial period (“1H FYE 2024”)

The Group recorded a revenue of approximately RM4.23 million in 2H FYE2024, as compared to approximately RM3.71 million in 1H FYE2024, representing an increase of approximately RM0.52 million or 14.02%.

In line with the increase of revenue, the Group recorded higher profit after tax of approximately RM1.04 million in 2H FYE2024 as compared to profit after taxation of approximately RM0.72 million in 1H FYE2024, representing an increase of RM0.32 million or 44.44%.

B2. PROSPECTS

Our Group will continue our expansion plan to increase our presence in the ASEAN countries particularly Indonesia, Cambodia, Vietnam and Philippines.

Our Group will also execute the following business plans and strategies to expand our market reach and increase our opportunity growth:

- (i) Introducing and promoting our e-Invoicing compliance module to our existing customer for upgrading and also to prospect customers to increase business opportunities;
- (ii) Participation in both local and overseas business events and exhibitions to promote our system and create brand awareness; and
- (iii) To explore opportunities of selling robotic technology hardware to our hospitality industry customers.

The Board is of the opinion that, barring any unforeseen circumstances, the prospects of the Group's financial performance for the financial year ending 30 June 2024 will remain favourable.

B3. VARIANCE FROM PROFIT FORECAST AND PROFIT GUARANTEE

Not applicable as the Group did not publish any profit forecast or profit guarantee in any public document or announcement.

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C. OTHER INFORMATION

C1. STATUS OF CORPORATE PROPOSALS

No corporate proposal was announced or pending completion as at the date of this report.

C2. MATERIAL LITIGATION

There are no material litigations pending as at the date of this report.

C3. DIVIDEND

On 15 May 2024, the Board declared a second interim dividend of 0.2 sen per share amounting to RM1,000,000 in respect of the financial year ending 30 June 2024, which was paid on 31 May 2024.