



DYNAFRONT HOLDINGS BERHAD
(Registration No. 202001042085 (1398406-X))
Incorporated in Malaysia

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND HALF YEAR ENDED 30 JUNE 2024

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

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 BURSA MALAYSIA SECURITIES BERHAD. 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 DYNAFRONT HOLDINGS BERHAD (“DYNAFRONT” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST AFTER DUE AND CAREFUL CONSIDERATIONS AND, IF APPROPRIATE, CONSULTATION WITH STOCKBROKER, MANAGER, SOLICITORS, ACCOUNTANT AND OTHER PROFESSIONAL ADVISERS.

THE ADMISSION OF DYNAFRONT HOLDINGS BERHAD TO THE LEAP MARKET WAS ADVISED BY THE COMPANY’S APPROVED ADVISER, HONG LEONG INVESTMENT BANK BERHAD.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE SECOND HALF-YEAR ENDED 30 JUNE 2024**

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Revenue	6,510,827	6,215,297	12,423,657	12,114,368
Cost of sales	(2,735,478)	(2,128,207)	(4,368,248)	(3,408,635)
Gross profit	3,775,349	4,087,090	8,055,409	8,705,733
Other income	446,516	814,286	713,081	940,964
Administrative expenses	(1,136,923)	(1,289,864)	(2,558,716)	(2,505,370)
Other operating expenses	(1,835,696)	(1,914,807)	(3,562,886)	(3,426,363)
Finance costs	(13,087)	(4,970)	(18,789)	(12,590)
Profit before tax ("PBT")	1,236,159	1,691,735	2,628,099	3,702,374
Tax expense	(443,509)	(566,265)	(820,998)	(866,265)
Profit after tax ("PAT")	792,650	1,125,470	1,807,101	2,836,109
Other comprehensive income, net of tax items that may be reclassified subsequently to profit and loss				
Foreign currency translation differences for foreign operations	(45,263)	165,495	(103,387)	63,939
Total comprehensive income for the financial period/year	747,387	1,290,965	1,703,714	2,900,048
Profit/(loss) attributed to:				
Owners of the Company ⁽ⁱ⁾	792,650	1,217,211	1,807,101	2,833,343
Non-controlling interest	-	(91,741)	-	2,766
	<u>792,650</u>	<u>1,125,470</u>	<u>1,807,101</u>	<u>2,836,109</u>
Total comprehensive income attributed to:				
Owners of the Company ⁽ⁱ⁾	747,387	1,392,862	1,703,714	2,897,282
Non-controlling interest	-	(101,897)	-	2,766
	<u>747,387</u>	<u>1,290,965</u>	<u>1,703,714</u>	<u>2,900,048</u>
<u>Gross profit ("GP") Margin⁽ⁱⁱ⁾ (%)</u>	<u>57.98</u>	<u>65.76</u>	<u>64.84</u>	<u>71.86</u>
<u>PBT Margin⁽ⁱⁱ⁾ (%)</u>	<u>18.99</u>	<u>27.22</u>	<u>21.15</u>	<u>30.56</u>
<u>PAT Margin⁽ⁱⁱ⁾ (%)</u>	<u>12.17</u>	<u>18.11</u>	<u>14.55</u>	<u>23.41</u>
<u>Earnings per share ("EPS")⁽ⁱⁱⁱ⁾ (sen)</u>	<u>0.73</u>	<u>1.13</u>	<u>1.67</u>	<u>2.62</u>

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Notes:

- (i) *Owner of the Company is for FYE 30 June 2024. This item refers to the profit / total comprehensive income attributable to the owners of the Group for the 6-month financial period and the financial year ended 30 June 2024.*
- (ii) *Calculated based on gross profit, PBT and PAT respectively divided by revenue for the corresponding period.*
- (iii) *Please refer to **Note C.5** below for further details on the Group's EPS.*

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

	<u>Unaudited</u>	<u>Audited</u>
	<u>30.6.2024</u>	<u>30.6.2023</u>
	RM	RM
<u>Assets</u>		
Non-Current Assets		
Plant and equipment	407,175	499,573
Right-of-use assets	1,588,156	1,222,728
Deferred tax assets	207,298	266,000
Tax recoverable	33,077	207,330
Total Non—Current Assets	2,235,706	2,195,631
Current Assets		
Trade receivables	2,838,289	1,976,936
Other receivables	203,343	172,036
Fixed deposit with licensed banks	9,783,682	6,821,151
Cash and bank balances	8,515,165	11,558,087
Tax recoverable	95,507	-
Total Current Assets	21,435,986	20,528,210
Total Assets	23,671,692	22,723,841
Equity		
Equity		
Share capital	16,573,447	16,573,447
Restructuring reserve	(3,409,409)	(3,409,409)
Retained earnings	8,232,267	7,073,166
Foreign currency translation reserve	(28,875)	74,512
Equity attributed to Owners of the Company	21,367,430	20,311,716
Non-controlling interest	-	-
Total Equity	21,367,430	20,311,716
Liabilities		
Non-Current Liabilities		
Lease liabilities	530,736	146,998
Total Non-Current Liabilities	530,736	146,998
Current Liabilities		
Trade payables	20,107	16,309

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	<u>Unaudited</u>	<u>Audited</u>
	<u>30.6.2024</u>	<u>30.6.2023</u>
	<u>RM</u>	<u>RM</u>
Other payables	937,622	941,454
Contract liabilities	692,202	927,999
Lease liabilities	90,140	145,639
Tax payable	33,455	233,726
Total Current Liabilities	1,773,526	2,265,127
Total Liabilities	2,304,262	2,412,125
Total Equity and Liabilities	23,671,692	22,723,841
NA per Share (RM) ⁽ⁱ⁾	0.20	0.19
Gearing Ratio (times) ⁽ⁱⁱ⁾	0.03	0.01

Notes:

(i) Calculated based on net assets of the Group divided by the Company's issued shares of 108,000,000 ordinary shares as of 30 June 2023 and 30 June 2024.

(ii) Calculated based on total interest-bearing borrowings (lease liabilities) divided by the equity attributed to the owners of the Company.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	<-----Attributable to Owners of the Company----->			<-----Non-Distributable----->			
	Share Capital	Other Reserves	Foreign Currency Translation Reserve	Distributable Retained Earnings	Total	Non-Controlling Interest	Total Equity
	RM	RM	RM	RM	RM	RM	RM
At 1 July 2022	16,573,447	(3,409,409)	9,516	6,224,174	19,397,728	113,440	19,511,168
Profit net of tax	-	-	-	2,833,343	2,833,343	2,766	2,836,109
Other comprehensive income:							
Foreign currency translation differences for foreign operation	-	-	63,939	-	63,939	-	63,939
Total comprehensive income	-	-	63,939	2,833,343	2,897,282	2,766	2,900,048
Transactions with Owners of the Company:							
Dividends	-	-	-	(1,944,000)	(1,944,000)	-	(1,944,000)
Acquisition of equity interest from non-controlling interest ("NCI")	-	-	1,057	(40,351)	(39,294)	(116,206)	(155,500)
	-	-	1,057	(1,984,351)	(1,983,294)	(116,206)	(2,099,500)
At 30 June 2023	16,573,447	(3,409,409)	74,512	7,073,166	20,311,716	-	20,311,716

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	<-----Attributable to Owners of the Company----->				
	<-----Non-Distributable----->			Distributable Retained	
	Share Capital	Other	Foreign Currency	Earnings	Total Equity
	RM	Reserves	Translation Reserve	RM	RM
	RM	RM	RM	RM	RM
At 1 July 2023	16,573,447	(3,409,409)	74,512	7,073,166	20,311,716
Profit net of tax	-	-	-	1,807,101	1,807,101
Other comprehensive income:					
Foreign currency translation differences for foreign operation	-	-	(103,387)	-	(103,387)
Total comprehensive income	-	-	(103,387)	1,807,101	1,703,714
Transaction with Owners of the Company:					
Dividend, representing total transaction with Owners of the Company	-	-	-	(648,000)	(648,000)
At 30 June 2024	16,573,447	(3,409,409)	(28,875)	8,232,267	21,367,430

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
<u>Cash Flow from Operating Activities</u>				
Profit before tax	1,236,159	1,691,735	2,628,099	3,702,374
Adjustments for:				
Amortisation of intangible assets	-	-	-	20
Depreciation of plant and equipment	64,735	27,416	132,699	117,234
Depreciation of right-of-use assets	109,276	67,557	159,097	247,485
Unrealised gain/loss on foreign exchange	(45,378)	(234,875)	8,962	(174,463)
Written off of tax recoverable	85,418	-	85,418	-
Plant and equipment written off	-	2,356	-	2,356
Gain on disposal of plant and equipment	(15,000)	(105,501)	(15,000)	(54,201)
Gain on disposal of right-of-use asset	(130,000)	-	(130,000)	(51,300)
Interest income	(321,375)	(307,559)	(498,101)	(421,039)
Interest expenses	13,087	4,970	18,789	12,590
Operating profit before changes in working capital	996,922	1,146,099	2,389,963	3,381,056
Changes in working capital:				
Trade and other receivables	(336,951)	584,756	(885,498)	(834,855)
Trade and other payables	416,408	190,124	33,068	(531,101)
Contract assets	7,608	292,244	-	464,741
Contract liabilities	(258,498)	(103,543)	(226,739)	648,599
Cash generated from operations	825,489	2,109,680	1,312,794	3,128,440
Interest paid	(12,238)	(4,970)	(17,091)	(12,590)
Interest received	310,746	307,559	487,472	421,039
Tax paid	(587,331)	(805,696)	(1,029,865)	(1,232,663)
Net cash from operating activities	536,666	1,606,573	752,461	2,304,226

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	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
<u>Cash Flows from Investing Activities</u>				
Purchase of plant and equipment	(14,882)	(216,005)	(46,584)	(237,112)
Purchase of right-of-use assets	(90,100)	(17,130)	(90,100)	(17,130)
Proceeds from disposal of plant and equipment	15,000	105,501	15,000	51,201
Proceeds from disposal of right-of-use asset	130,000	-	130,000	51,300
Repayment from shareholders	-	55,604	-	148,397
Acquisition of shares from NCI	-	(155,500)	-	(155,500)
Net cash used in investing activities	40,018	(227,530)	8,316	(155,844)
<u>Cash Flows from Financing Activities</u>				
Payment for the principal portion of lease liabilities	(99,365)	(78,584)	(181,761)	(360,570)
Dividend paid	-	(648,000)	(648,000)	(1,944,000)
Net cash (used in)/from financing activities	(99,365)	(726,584)	(829,761)	(2,304,570)
Net increase/(decrease) in cash and cash equivalents	477,319	652,459	(68,984)	(156,188)
Effect of exchange rate changes on cash and cash equivalents	69,879	320,193	(11,407)	220,728
Cash and cash equivalents at beginning of the financial period/year	17,751,649	17,406,586	18,379,238	18,314,698
Cash and cash equivalents at the end of the financial period/year	18,298,847	18,379,238	18,298,847	18,379,238

A. EXPLANATORY NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND HALF YEAR ENDED 30 JUNE 2024

A.1 BASIS OF PREPARATION

The condensed consolidated financial statements of DynaFront Holdings Berhad and its subsidiaries (collectively known as the “**Group**”) are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard 134: Interim Financial Reporting and paragraph 6.12 of the LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This is the interim financial report on the Group’s unaudited financial statements for the second half-year ended 30 June 2024, covering the 6-month financial period from 1 January 2024 to 30 June 2024.

A.2 ACCOUNTING POLICIES

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRSs**”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group has also considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101 and MFRS Practice Statement 2	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 pronouncements did not have any significant effect on the financial statements of the Group except as described below.

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 January 2023. The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group have not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group:

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
Amendments to MFRS 7 and MFRS 107	Suppliers Finance Arrangements

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability
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Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS7	Classification and Measurement of Financial Instruments
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Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group upon their initial applications.

A.3 SEASONAL OR CYCLICAL FACTORS

The Group does not experience any material seasonality in its business.

A.4 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity or cash flow of the Group during the current period under review.

A.5 MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates during the current period under review.

A.6 DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities of the Group for the current period under review.

A.7 SEGMENTAL INFORMATION

Revenue by geographical areas

The following table sets out the breakdown and analysis of the Group's revenue by geographical areas:

	Individual 6 months ended				Cumulative 12 months ended			
	Unaudited		Unaudited		Unaudited		Audited	
	30.6.2024		30.6.2023		30.6.2024		30.6.2023	
	RM	%	RM	%	RM	%	RM	%
Malaysia	3,608,124	55.4	3,088,394	49.7	5,187,147	41.8	5,160,146	42.6
Indonesia	2,699,914	41.5	2,756,062	44.3	6,466,549	52.1	6,194,308	51.1
Philippines	157,789	2.4	55,787	0.9	216,890	1.7	111,573	0.9
Hong Kong	45,000	0.7	75,500	1.2	103,500	0.8	120,500	1.0
Thailand	0	0.0	239,554	3.9	449,571	3.6	527,841	4.4
Total	6,510,827	100.0	6,215,297	100.0	12,423,657	100.0	12,114,368	100.0

A.8 RELATED PARTY TRANSACTIONS

The related party transactions other than transactions of a revenue nature in the ordinary course of business of the Group are as follows:

Transacting parties	Nature of relationship	Nature of transaction	Transaction value for 12-months ended 30.6.2024 (RM)
Glossy Valley Sdn Bhd (“Glossy Valley”) and DynaFront Systems Sdn Bhd (“DynaFront Systems”)	Glossy Valley and DynaFront Systems share common directors and shareholders: i) Chan Eng Lim; and ii) Gan Hui Ping	Tenancy Agreement dated 5 December 2023 with effective date of 1 January 2024, which will expire on 31 December 2024. Where Glossy Valley is the landlord and DynaFront Systems is the tenant of the Company’s current business premise addressed at C-8-1, 8 th Floor, Corporate Office Tower Block C, KL Trillion, 338 Jalan Tun Razak, 50400 Kuala Lumpur.	384,475

A.9 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

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

A.10 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the financial period ended 30 June 2024.

A.11 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingent assets and contingent liabilities as of the date of this financial report.

A.12 CAPITAL COMMITMENTS

There is no material capital commitment as of 30 June 2024.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS

B.1 PERFORMANCE REVIEW

The Group's revenue is mainly derived from the sale of proprietary software customised for its customers, providing managed services and other related services.

The following table sets out the breakdown and analysis of the Group's revenue by segments:

	Individual 6 months ended				Cumulative 12 months ended			
	Unaudited		Unaudited		Unaudited		Audited	
	30.6.2024		30.6.2023		30.6.2024		30.6.2023	
	RM	%	RM	%	RM	%	RM	%
Proprietary Software ⁽ⁱ⁾	2,796,194	43.0	2,678,872	43.1	5,289,948	42.6	5,853,679	48.3
Managed Services ⁽ⁱⁱ⁾	2,385,884	36.6	2,423,350	39.0	5,190,641	41.8	4,752,391	39.2
Others ⁽ⁱⁱⁱ⁾	1,328,749	20.4	1,113,075	17.9	1,943,068	15.6	1,508,298	12.5
Total	6,510,827	100.0	6,215,297	100.0	12,423,657	100.0	12,114,368	100.0

Notes:

- (i) Revenue from the Group's Proprietary Software segment, namely PrecentiaLife, PrecentiaTakaful, PrecentiaCMS and PrecentiaGroup, is derived from the sale, implementation and/or maintenance of these products. The Group's proprietary softwares are sold and implemented on a project basis whereas maintenance contracts are mainly renewable annually.
- (ii) The revenue from Managed Services segment are commissions received from the revenue sharing contracts with the Group's customers for the use of PrecentiaLife Agency and the monthly subscription fee model with the Group's customers for the use of PrecentiaLife Cloud.
- (iii) Other Revenue comprises revenue from consulting services, maintenance of customers' third-party software other than the Group's proprietary software, as well as one-off sale and installation of server hardware and third-party software for customers.

6-month financial period ended ("FPE") 30 June 2024 vs 6-month FPE 30 June 2023

The Group's revenue increased by approximately RM 0.29 million, or 4.66%, from RM 6.22 million for FPE 30 June 2023 to RM 6.51 million for FPE 30 June 2024. This increase was due to the commencement of the core system technology re-platform project from one of the Malaysian clients and additional software components required for this re-platform under the Group's Other Revenue segment.

The Group's GP margin decreased from 65.8% for FPE 30 June 2023 to 58.0% for FPE 30 June 2024, primarily due to project delays that led to higher costs of sales from proprietary software implementation. The Group also decreased PBT by approximately RM 0.45 million, or 26.62%, to RM 1.24 million for FPE 30 June 2024, compared to RM 1.69 million for FPE 30 June 2023. This decline was driven by increased staff costs, as previously mentioned, and a reduction in income due to lower interest earnings.

Administration expenses decreased by RM 0.15 million, or 11.62%, to RM 1.14 million for the FPE 30 June 2024 from RM 1.29 million for the FPE 30 June 2023. This reduction is due to the disposal of company cars, which reduced motor vehicle upkeep expenses.

FYE 30 June 2024 vs FYE 30 June 2023

The Group's revenue increased by approximately RM 0.31 million, or 2.56%, from RM 12.11 million for FYE 30 June 2023 to RM 12.42 million for FYE 30 June 2024. This increase was mainly due to an increase in revenue from managed services and software components under the Group's Other Revenue segment.

The Group's PBT decreased by approximately RM 1.07 million, or 28.92%, from RM 3.70 million for FYE 30 June 2023 to RM 2.63 million for FYE 30 June 2024. This decline is primarily due to delays in one of the projects, which did not generate revenue while staff costs continued to be incurred for ongoing development and support efforts.

B.2 PROSPECTS

Our Group has secured a takaful core system re-platform project for one of our Takaful clients in Malaysia. This project involves migrating the existing core system (PrecentiaTakaful) running on the IBM platform into an open-source and cloud-ready platform. This stop-gap solution will eventually enable our client to move to a full-blown microservices platform in the next two to three years.

Our group's implementation of the Group Life Insurance Core System (PrecentiaGroup) for our Japanese insurance client in Indonesia, using the microservices platform, is now near completion and is expected to go live in September 2024, a delay of three months. The underlying microservices architecture of this system offers various advantages over its older architecture, including (i) independent scalability, where each microservice can be scaled independently based on demand; (ii) Independent Deployment for more agile development and continuous delivery; (iii) Technology Diversity, where different microservices can be built using various technologies, languages or databases that are best suited for each specific task.

Our Group formally entered into a partnership agreement with PT Higea Medika Insura Solusi Indonesia ("HigeaInd"), in March 2024 to formalise our business partnership in providing digital medical claim services in Indonesia via HigeaInd. HigeaInd has identified three potential clients in Indonesia who are interested in engaging their digital claim services.

The AI-driven early claim predictive system is now ready for live site testing. Our group will offer the said system as a free beta product to our existing clients for two to three years to test its accuracy further before releasing it as a final product for commercial use.

B.3 VARIANCE OF ACTUAL PROFIT FROM FORECAST AND PROFIT GUARANTEE

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

C. OTHER INFORMATION

C.1 STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but pending completion as of the date of this announcement.

C.2 UTILISATION OF PROCEEDS

January 2022 Placement (as defined below)

As at the date of this announcement, the status of utilisation of proceeds raised of RM9,000,000 from the issuance of 36,000,000 new ordinary shares pursuant to a private placement to sophisticated investors at an issue price of RM0.25 each (the “**January 2022 Placement**”), is as follows:

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Unutilised proceeds (RM'000)	⁽²⁾Estimated timeframe for utilisation upon listing
Investments in cloud-based microservices	3,500	2,684	⁽¹⁾ 816	Within 36 months
Solutions for digital insurance	3,500	2,806	⁽¹⁾ 694	Within 36 months
Working capital requirements	1,930	1,399	531	Within 48 months
Expenses for the January 2022 Placement	70	70	-	N/A
Total	9,000	6,959	2,041	

Note:

- (1) As disclosed in the Company’s announcements dated 7 January 2022 and 25 January 2022, should there be any unutilised amount from these categories, the earmarked funds will be reallocated to be utilised for the working capital requirements of the Group.
- (2) Taking into account the extension of time to the utilisation of proceeds as set out in the Company’s announcement dated 8 February 2024. The estimated timeframe is calculated from the date of listing of the placement shares, being 7 February 2022.

C.3 DIVIDEND

The Board of Directors declared a second single-tier interim dividend of RM0.007 per share for the financial year ended 30 June 2024.

A first single tier interim dividend for the financial year ending 30 June 2024 of RM0.006 per ordinary share had been declared on 22 August 2023 and paid on 8 September 2023.

C.4 MATERIAL LITIGATION

The Board is not aware of any proceedings/ material litigations pending or threatened against the Group as at the date of this report.

C.5 EARNINGS PER SHARE

Basic/Diluted earnings per share is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

	<u>Individual 6 months ended</u>		<u>Cumulative 12 months ended</u>	
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
	<u>30.6.2024</u>	<u>30.6.2023</u>	<u>30.6.2024</u>	<u>30.6.2023</u>
Net profit for the financial period/year attributable to owners of the Company (RM)	792,650	1,217,211	1,807,101	2,833,343
Ordinary shares in issue	108,000,000	108,000,000	108,000,000	108,000,000
Basic EPS (sen)	0.73	1.13	1.67	2.62

The basic and diluted EPS are equal as the Group has no potential dilutive ordinary shares at the end of each financial period.

This report is dated 20 August 2024.