



PEOPLElogy BERHAD
(Registration No: 202301050253 (1544167-M))
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
31 MARCH 2026

Kenanga Investment Bank Berhad (“Kenanga IB”), the Sponsor of PEOPLElogy Berhad has reviewed this interim financial report in accordance with Rule 4.27 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad prior to the issuance of this interim financial report. Kenanga IB assumes no responsibility for the contents of this interim financial report.

Kenanga IB was also the Principal Adviser for the admission of PEOPLElogy Berhad to the ACE Market of Bursa Malaysia Securities Berhad on 20 May 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2026⁽¹⁾

| | Individual Quarter | | Cumulative Quarter | |
|--|---|---|---|---|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited Current Year Quarter | Unaudited Preceding Year Quarter | Unaudited Current Year- To- Date | Unaudited Preceding Year- To- Date |
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 5,673 | 5,207 | 5,673 | 5,207 |
| Cost of sales | (1,733) | (1,885) | (1,733) | (1,885) |
| Gross profit | 3,940 | 3,322 | 3,940 | 3,322 |
| Other income | - | 46 | - | 46 |
| Administrative expenses | (4,135) | (3,076) | (4,135) | (3,076) |
| (Loss)/Profit from operations | (195) | 292 | (195) | 292 |
| Finance costs | (42) | (38) | (42) | (38) |
| Finance income | 205 | * | 205 | * |
| Share of result of an associate company | (95) | (132) | (95) | (132) |
| (Loss)/Profit before tax | (127) | 122 | (127) | 122 |
| Tax expenses | (1,332) | (81) | (1,332) | (81) |
| (Loss)/Profit for the financial period | (1,459) | 41 | (1,459) | 41 |
| Other comprehensive loss: | | | | |
| Foreign currency translation loss | (64) | - | (64) | - |
| Total comprehensive (loss)/income | (1,523) | 41 | (1,523) | 41 |
| Total (loss)/profit attributable to: | | | | |
| Owners of our Company | (1,459) | 41 | (1,459) | 41 |
| Total comprehensive (loss)/income attributable to: | | | | |
| Owners of our Company | (1,523) | 41 | (1,523) | 41 |
| Basic and diluted (loss)/earnings per share (sen) ⁽²⁾ | (0.35) | 0.01 | (0.35) | 0.01 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2026⁽¹⁾ (CONT'D)

Notes:

* Negligible.

- (1) *The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of PEOPLElogy Berhad ("PEOPLElogy" or the "Company") and its subsidiaries ("PEOPLElogy Group" or the "Group") for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Computed based on total (loss)/profit attributable to owners of the Company divided by the issued share capital of 411,716,936 ordinary shares as at 31 March 2026. The diluted earnings per share ("EPS") is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter under review.*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026⁽¹⁾

| | Group | |
|---------------------------------------|-------------------------------|-------------------------------|
| | Unaudited | Audited |
| | As at 31.03.2026 RM'000 | As at 31.12.2025 RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Plant and equipment | 667 | 718 |
| Right-of-use assets | 1,234 | 1,449 |
| Intangible assets | 1,728 | 1,592 |
| Investment in associate company | 856 | 951 |
| Deferred tax assets | - | 989 |
| Total non-current assets | 4,485 | 5,699 |
| Current assets | | |
| Trade receivables | 2,136 | 3,030 |
| Other receivables | 2,694 | 2,933 |
| Tax recoverable | 164 | 189 |
| Short-term investments | 22,389 | 30,343 |
| Cash and bank balances | 11,256 | 5,477 |
| Total current assets | 38,639 | 41,972 |
| TOTAL ASSETS | 43,124 | 47,671 |
| EQUITIES AND LIABILITIES | | |
| Equity | | |
| Share capital | 37,834 | 37,834 |
| Merger reserves | (6,860) | (6,860) |
| Foreign currency translation reserves | (66) | (2) |
| Retained earnings | 505 | 2,890 |
| TOTAL EQUITY | 31,413 | 33,862 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | 2,072 | 2,130 |
| Lease liabilities | 321 | 599 |
| Deferred tax liabilities | 29 | 29 |
| Total non-current liabilities | 2,422 | 2,758 |
| Current liabilities | | |
| Trade payables | 117 | 877 |
| Other payables | 7,503 | 8,154 |
| Borrowings | 219 | 214 |
| Lease liabilities | 848 | 786 |
| Tax payable | 602 | 1,020 |
| Total current liabilities | 9,289 | 11,051 |
| TOTAL LIABILITIES | 11,711 | 13,809 |
| TOTAL EQUITIES AND LIABILITIES | 43,124 | 47,671 |
| Number of ordinary shares in issue | 411,716,936 | 411,716,936 |
| Net assets per share (RM) | 0.08 | 0.08 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026⁽¹⁾ (CONT'D)

Note:

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2026⁽¹⁾

| | Share capital | Merger reserves | Foreign currency translation reserves | Retained earnings | Total equity |
|--|--------------------------|----------------------------|--|------------------------------|-------------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at 1 January 2026 | 37,834 | (6,860) | (2) | 2,890 | 33,862 |
| Total comprehensive loss for the financial period | - | - | (64) | (1,459) | (1,523) |
| Dividends | - | - | - | (926) | (926) |
| Balance as at 31 March 2026 | 37,834 | (6,860) | (66) | 505 | 31,413 |

Note:

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2026⁽¹⁾

| | Group | |
|--|--|--|
| | Unaudited Current Year-To-Date 31.03.2026 RM'000 | Unaudited Preceding Year-To- Date 31.03.2025 RM'000 |
| CASH FLOWS USED IN OPERATING ACTIVITIES | | |
| (Loss)/Profit before tax | (127) | 122 |
| Adjustments for: | | |
| Depreciation of plant and equipment | 68 | 90 |
| Depreciation of right-of-use assets | 214 | 176 |
| Amortisation of intangible assets | 26 | 26 |
| Finance costs | 42 | 38 |
| Finance income | (205) | * |
| Unrealised gain/loss on foreign exchange | (7) | 2 |
| Share of result of an associate company | 95 | 132 |
| Operating profit before changes in working capital | 106 | 586 |
| Changes in working capital | | |
| Trade and other receivables | 1,133 | 2,776 |
| Trade and other payables | (2,431) | (2,334) |
| Contract costs | - | (571) |
| Associate company | - | (25) |
| Cash generated from operations | (1,192) | 432 |
| Tax paid | (718) | (557) |
| Tax refund | - | - |
| Finance cost paid | (42) | (2) |
| Finance income received | 205 | * |
| Net cash used in operating activities | (1,747) | (127) |
| CASH FLOWS USED IN INVESTING ACTIVITIES | | |
| Purchase of plant and equipment | (18) | (197) |
| Purchase of right-of-use assets | - | (66) |
| Purchase of intangible assets | (162) | (281) |
| Net cash used in investing activities | (180) | (544) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of lease liabilities | (206) | (221) |
| Repayment of advance from Director | - | (362) |
| Drawdown of term loan | - | 2,500 |
| Repayment of term loan | (53) | - |
| Repayment of hire purchase liability | (10) | - |
| Dividend paid | - | - |
| Dividend received | - | - |
| Short term investment withdrawal | 7,954 | - |
| Net cash from financing activities | 7,685 | 1,917 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2026⁽¹⁾ (CONT'D)

| | Group | |
|--|---------------------|-------------------|
| | Unaudited | Unaudited |
| | Current | Preceding |
| | Year-To-Date | Year-To- |
| | 31.03.2026 | Date |
| | RM'000 | 31.03.2025 |
| | | RM'000 |
| CASH AND CASH EQUIVALENTS | | |
| Net increase in cash and cash equivalents | 5,758 | 1,246 |
| Cash and cash equivalents at the beginning of the financial period | 5,477 | 3,926 |
| Net effect of foreign exchange | 21 | (2) |
| Cash and cash equivalents at end of the financial period | 11,256 | 5,170 |

Notes:

* *Negligible.*

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

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The condensed consolidated interim financial report of the Group is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 as disclosed in the Annual Report 2025 and the accompanying notes attached to this condensed interim financial report.

A2. Significant accounting policies

The accounting policies and presentation adopted for the condensed consolidated interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2025.

Standards issues but not yet effective

The Group has not applied the following MFRS and amendments to MFRS that have been issued by the MASB but are not yet effective for the Group.

MFRS and Amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19 and Amendments to MFRS 19, Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency

Amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards/amendments to MFRS is not expected to have any material impact to the financial statements of the Group upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A3. Auditors’ report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2025.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal or cyclical factors in the current financial quarter under review.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in estimates

There were no material changes in estimates that have material effects for the current financial quarter under review.

A7. Debt and equity securities

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

A8. Dividends paid

On 27 February 2026, the Board of Directors approved and declared a single-tier interim dividend of 0.225 sen per ordinary share amounting to RM926,363 in respect of the financial year ended 31 December 2025, which was subsequently paid on 30 April 2026.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING (CONT’D)

A9. Segment information

The Group is organised into business units based on the nature of business and the services provided. The reportable segments are managed separately as each segment offers different products and services and requires different business strategies, resource allocation and performance assessment. The Group’s reportable segments are as follows:

| Operating Segments | Nature |
|---------------------------|---|
| Development | Provision of ICT, soft skills and leadership training services; IR4.0 digital skills and certification services; and organisation of events, conferences and seminars on human resources. |
| Digital | Provision of learning and performance management system, online learning virtual platform and training content digitalisation services. |
| Discovery | Provision of organisational talent consultancy and profile assessment services. |
| Others | Others comprise the Group’s corporate office as well as other investment holding entities. |

The Group’s segmental report for the current quarter ended 31 March 2026 under review is as follows:

| | Individual Quarter | | Cumulative Quarter | |
|--------------------------------------|--|--|--|--|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited 31.03.2026 RM’000 | Unaudited 31.03.2025 RM’000 | Unaudited 31.03.2026 RM’000 | Unaudited 31.03.2025 RM’000 |
| Revenue by business segments | | | | |
| Development | 5,804 | 5,516 | 5,804 | 5,516 |
| Digital | 116 | 124 | 116 | 124 |
| Discovery | 62 | - | 62 | - |
| | <u>5,982</u> | <u>5,640</u> | <u>5,982</u> | <u>5,640</u> |
| Elimination of inter-segment revenue | (309) | (433) | (309) | (433) |
| | <u>5,673</u> | <u>5,207</u> | <u>5,673</u> | <u>5,207</u> |

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING (CONT’D)

A9. Segment information (cont’d)

The Group’s segmental report for the current quarter ended 31 March 2026 under review is as follows: (cont’d)

| | Individual Quarter | | Cumulative Quarter | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited 31.03.2026 | Unaudited 31.03.2025 | Unaudited 31.03.2026 | Unaudited 31.03.2025 |
| | RM’000 | RM’000 | RM’000 | RM’000 |
| Revenue by geographical markets | | | | |
| Malaysia | 5,673 | 5,181 | 5,673 | 5,181 |
| Indonesia | - | 4 | - | 4 |
| Vietnam | - | 22 | - | 22 |
| | 5,673 | 5,207 | 5,673 | 5,207 |

| | Individual Quarter | | Cumulative Quarter | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited 31.03.2026 | Unaudited 31.03.2025 | Unaudited 31.03.2026 | Unaudited 31.03.2025 |
| | RM’000 | RM’000 | RM’000 | RM’000 |
| Segment results | | | | |
| Development | 521 | 591 | 521 | 591 |
| Digital | (424) | (201) | (424) | (201) |
| Discovery | (127) | (98) | (127) | (98) |
| Others | (165) | - | (165) | - |
| (Loss)/Profit from operations | (195) | 292 | (195) | 292 |
| Finance cost | (42) | (38) | (42) | (38) |
| Finance income | 205 | * | 205 | * |
| Share of result of an associate company | (95) | (132) | (95) | (132) |
| (Loss)/Profit before tax | (127) | 122 | (127) | 122 |
| Tax expenses | (1,332) | (81) | (1,332) | (81) |
| (Loss)/Profit for the financial period | (1,459) | 41 | (1,459) | 41 |

Note:

* *Negligible.*

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING (CONT’D)

A9. Segment information (cont’d)

The Group’s segmental report for the current quarter ended 31 March 2026 under review is as follows: (cont’d)

| | Group | |
|----------------------------|----------------------|----------------------|
| | Unaudited | Unaudited |
| | As at | As at |
| | 31.03.2026 | 31.03.2025 |
| | RM’000 | RM’000 |
| Segment assets | | |
| Development | 27,030 | 30,718 |
| Digital | 2,183 | 2,005 |
| Discovery | 1,014 | 1,078 |
| Others | 42,071 | 42,093 |
| | <u>72,298</u> | <u>75,894</u> |
| Elimination | (29,174) | (28,223) |
| | <u>43,124</u> | <u>47,671</u> |
| Segment liabilities | | |
| Development | 14,591 | 21,562 |
| Digital | 5,853 | 5,250 |
| Discovery | 1,025 | 961 |
| Others | 4,162 | 3,085 |
| | <u>25,631</u> | <u>30,858</u> |
| Elimination | (13,920) | (17,049) |
| | <u>11,711</u> | <u>13,809</u> |

A10. Material events subsequent to the end of the reporting period

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

A11. Changes in the composition of the Group

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

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING (CONT’D)

A12. Contingent assets and contingent liabilities

| | Group | |
|---|-------------------|-------------------|
| | Unaudited | Unaudited |
| | As at | As at |
| | 31.03.2026 | 31.03.2025 |
| | RM’000 | RM’000 |
| Contingent Liabilities | | |
| Corporate Guarantee to licensed bank for term loan and trade facilities granted to subsidiary | 4,000 | - |

A13. Capital commitments

Capital expenditure contracted for at the end of reporting date but not recognised as liabilities is as follows:

| | Group | |
|---------------------|-------------------|--|
| | Unaudited | |
| | As at | |
| | 31.03.2026 | |
| | RM’000 | |
| Plant and equipment | 5,114 | |

A14. Fair value of financial Instruments

There were no gain or loss arising from fair value changes of financial assets and liabilities for the current financial quarter under review.

A15. Related party transactions

There were no material related party transactions during the current financial quarter under review.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of financial performance

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|--|--|--|--|--|
| | <u>3 Months Ended</u> | | <u>Year-To-Date</u> | |
| | <u>Unaudited</u> <u>31.03.2026</u> <u>RM'000</u> | <u>Unaudited</u> <u>31.03.2025</u> <u>RM'000</u> | <u>Unaudited</u> <u>31.03.2026</u> <u>RM'000</u> | <u>Unaudited</u> <u>31.03.2025</u> <u>RM'000</u> |
| Revenue | 5,673 | 5,207 | 5,673 | 5,207 |
| Gross profit | 3,940 | 3,322 | 3,940 | 3,322 |
| (Loss)/Profit before tax | (127) | 122 | (127) | 122 |
| (Loss)/Profit for the financial period | (1,459) | 41 | (1,459) | 41 |

For the individual quarter and cumulative quarter ended 31 March 2026, the Group recorded revenue of RM5.67 million, representing an increase of RM0.46 million or 8.8% compared with RM5.21 million in the corresponding quarter ended 31 March 2025. The increase in revenue was mainly contributed by the Development segment, particularly B2C revenue.

Gross profit increased by RM0.62 million or 18.7% to RM3.94 million, compared with RM3.32 million in the corresponding quarter. Gross profit margin improved to 69.5%, compared with 63.8% in the corresponding quarter, mainly due to favourable revenue mix and controlled cost of sales.

The Group recorded a loss before tax of RM0.13 million, compared with profit before tax of RM0.12 million in the corresponding quarter. This was mainly due to higher administrative expenses in the current quarter, which included higher employee-related costs and higher professional fees and IT project-related expenses incurred during the quarter.

The Group recorded a loss after tax of RM1.46 million, compared with profit after tax of RM0.04 million in the corresponding quarter. The loss after tax was mainly due to a tax charge of approximately RM1.3 million, including the reversal of deferred tax assets of approximately RM1.0 million. The deferred tax asset reversal relates to timing difference arising from advance billing as at 31 December 2025. As the related revenue was recognised in the current quarter, the timing difference unwound and the deferred tax asset was reversed accordingly.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B2. Comparison with the immediate preceding quarter results

| | <u>Individual Quarter</u> | | <u>Changes</u> | |
|---|---|---|----------------|--------|
| | <u>Unaudited Current Quarter 31.03.2026</u> | <u>Unaudited Immediate Preceding Quarter 31.12.2025</u> | | |
| | <u>RM'000</u> | <u>RM'000</u> | | |
| Revenue | 5,673 | 11,344 | (5,671) | (50) |
| (Loss)/Profit before tax | (127) | 2,534 | (2,661) | (>100) |
| (Loss)/Profit for the financial period | (1,459) | 1,280 | (2,739) | (>100) |

For the individual quarter ended 31 March 2026, the Group recorded revenue of RM5.67 million, representing a decrease of RM5.67 million or 50.0% compared with RM11.34 million in the immediate preceding quarter ended 31 December 2025.

The lower revenue was mainly due to the higher revenue recorded in the immediate preceding quarter, which was supported by stronger B2C revenue under government-funded programmes for individuals. The immediate preceding quarter also benefited from higher B2B revenue generated under government-funded programmes for corporations.

The Group recorded a loss before tax of RM0.13 million in the current quarter, compared with profit before tax of RM2.53 million in the immediate preceding quarter. The decrease was mainly due to the lower revenue recognised in the current quarter, resulting in weaker operating cost absorption.

The Group recorded a loss after tax of RM1.46 million in the current quarter, compared with profit after tax of RM1.28 million in the immediate preceding quarter. The loss after tax was mainly due to the lower profit before tax and tax charge recognised in the current quarter, including the reversal of deferred tax assets relating to timing difference from advance billing as at 31 December 2025. As the related revenue was recognised in the current quarter, the timing difference unwound and the deferred tax asset was reversed accordingly.

B3. Prospects

The Group's operating environment is expected to remain underpinned by Malaysia's continued policy focus on workforce upskilling, reskilling, digitalisation and artificial intelligence ("AI") capability development. Malaysia Budget 2026, the 13th Malaysia Plan, the MADANI economic framework and the National AI Action Plan 2030 collectively reinforce the national agenda of talent development, digital readiness and productivity enhancement. These structural priorities are expected to continue supporting demand for training, certification and workforce capability solutions across both the public and private sectors.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3. Prospects (cont'd)

Notwithstanding these supportive structural drivers, the operating landscape is expected to remain selective. Customers are likely to continue exercising discipline over training and human capital expenditure, with greater emphasis on programme relevance, measurable outcomes and cost efficiency. Broader external uncertainties, including geopolitical developments and cost pressures, may also continue to affect business sentiment and the pace of spending decisions.

Against this backdrop, the Group will remain focused on disciplined execution, operational efficiency and prudent capital deployment as it advances its strategic priorities. Accordingly, the Management remains cautiously optimistic on the Group's prospects for the financial year ending 31 December 2026.

B4. Profit forecast and profit guarantee

The Group did not issue any profit forecast or profit guarantee in any public documents in respect of the current financial quarter under review.

B5. Income tax expense

| | Individual Quarter | | Cumulative Quarter | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited 31.03.2026 | Unaudited 31.03.2025 | Unaudited 31.03.2026 | Unaudited 31.03.2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income tax | 343 | 81 | 343 | 81 |
| Deferred tax | 989 | - | 989 | - |
| Total income tax expense | 1,332 | 81 | 1,332 | 81 |
| Effective tax rate | >100.0% | 31.8% | >100.0% | 31.8% |

The higher tax expense was mainly due to deferred tax expense recognised during the current quarter, arising from the reversal of deferred tax assets previously recognised in relation to timing differences from advance billing. As a result, the Group's effective tax rate exceeded 100% for the current quarter.

B6. Status of corporate proposals

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

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7. Utilisation of proceeds from the public issue

As at 31 Mar 2026, the Group had utilised RM5.57 million, representing 21.2% of total public issue proceeds of RM26.25 million. The details of the utilisation of the IPO proceeds are set out as follows

| Utilisation of proceeds | Proposed Utilisation RM'000 | Actual Utilisation⁽¹⁾ RM'000 | % of Utilisation % | Initial timeframe for the utilisation from date of listing | Revised timeframe for the utilisation from date of listing |
|---|--|--|-----------------------------------|---|---|
| Business expansion | | | | | |
| • Establish a Cyber Range computer simulation lab | 8,500 | - | - | Within 24 months | - |
| • Expansion through strategic investments, mergers and acquisitions opportunities | 4,000 | - | - | Within 24 months | - |
| • R&D of software | 3,000 | 775 | 25.8 | Within 24 months | - |
| • Expansion of offices and training centres in East Malaysia | 1,000 | - | - | Within 24 months | - |
| • Expansion of offices and training centres in Indonesia and Philippines | 2,900 | - | - | Within 36 months | - |
| • Setting up regional office in Singapore | 100 | - | - | Within 12 months | Within 24 months ⁽²⁾ |
| General working capital | 2,400 | 442 | 18.4 | Within 24 months | - |
| Estimated listing expenses | 4,350 | 4,350 | 100.0 | Within 1 month | - |
| Total Public Issue Proceeds | 26,250 | 5,567 | 21.2 | | |

Notes:

(1) *The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 21 April 2025.*

(2) *The Board of Directors has deliberated and resolved to extend the timeframe for the utilisation of proceeds allocated for setting up regional office in Singapore for an additional 12 months.*

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B8. Borrowings

The Group's bank borrowings were as follows:

| | Unaudited | Unaudited |
|---------------------------|-------------------|-------------------|
| | As at | As at |
| | 31.03.2026 | 31.03.2025 |
| | RM'000 | RM'000 |
| <u>Non-Current</u> | | |
| Term loans | 2,072 | 2,130 |
| <u>Current</u> | | |
| Term loans | 219 | 214 |
| | 2,291 | 2,344 |

All the borrowings are secured and denominated in Ringgit Malaysia.

B9. Dividends proposed

No dividend was declared or recommended for payment by the Board of Directors of the Company during the current financial quarter under review.

B10. Material litigation

There was no litigation or arbitration which has a material effect on the financial position and performance of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B11. Derivative financial instruments

There were no derivatives financial instruments used in the current financial quarter under review.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B12. EPS

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

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|--|---------------------------|-------------------|---------------------------|-------------------|
| | <u>3 Months Ended</u> | | <u>Year-To-Date</u> | |
| | <u>Unaudited</u> | <u>Unaudited</u> | <u>Unaudited</u> | <u>Unaudited</u> |
| | <u>31.03.2026</u> | <u>31.03.2025</u> | <u>31.03.2026</u> | <u>31.03.2025</u> |
| (Loss)/Profit attributable to owners of the Company (RM'000) | (1,459) | 41 | (1,459) | 41 |
| Number of ordinary shares in issue | 411,716,936 | 411,716,936 | 411,716,936 | 411,716,936 |
| Basic and diluted EPS (sen) ⁽¹⁾ | (0.35) | 0.01 | (0.35) | 0.01 |

Note:

- (1) Computed based on total (loss)/profit attributable to owners of the Company divided by the issued share capital of 411,716,936 ordinary shares as at 31 March 2026. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial year under review.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B13. (Loss)/Profit before tax

The following items have been charged/(credited) in arriving at the (loss)/profit before tax for the current quarter ended 31 March 2026.

| | Individual Quarter | | Cumulative Quarter | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 3 Months Ended | | Year-To-Date | |
| | Unaudited 31.03.2026 | Unaudited 31.03.2025 | Unaudited 31.03.2026 | Unaudited 31.03.2025 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| (Loss)/Profit before tax is arrived at after charging/(crediting) | | | | |
| Depreciation of plant and equipment | 68 | 90 | 68 | 90 |
| Depreciation of right-of-use assets | 214 | 176 | 214 | 176 |
| Amortisation of intangible assets | 26 | 26 | 26 | 26 |
| Finance costs | 42 | 38 | 42 | 38 |
| Finance income | (205) | * | (205) | * |
| Unrealised (gain)/loss on foreign exchange | (7) | 2 | (7) | 2 |

Note:

* *Negligible.*

B14. Authorisation of issue

The interim financial report was authorised for issue by the Board of Directors on 26 May 2026.