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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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.

PEOPLElogy BERHAD
Registration No.: 202301050253 (1544167-M)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 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
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	RM'000	RM'000	RM'000	RM'000
Revenue	2,078	6,039	7,751	11,246
Cost of sales	(711)	(1,525)	(2,444)	(3,410)
Gross profit	1,367	4,514	5,307	7,836
Other income	-	137	-	184
Administrative expenses	(4,793)	(6,662)	(8,928)	(9,738)
Loss from operations	**(3,426)**	**(2,011)**	**(3,621)**	**(1,718)**
Finance costs	(46)	(45)	(88)	(83)
Finance income	179	4	384	4
Share of result of an associate company	(72)	5	(167)	(127)
Loss before tax	**(3,365)**	**(2,047)**	**(3,492)**	**(1,924)**
Tax expenses	(458)	(120)	(1,790)	(201)
Loss for the financial period	**(3,823)**	**(2,167)**	**(5,282)**	**(2,125)**
Other comprehensive loss:				
Foreign currency translation loss	(64)	-	(64)	-
Total comprehensive loss	**(3,887)**	**(2,167)**	**(5,346)**	**(2,125)**
Total loss attributable to:				
Owners of our Company	(3,823)	(2,167)	(5,282)	(2,125)
Total comprehensive loss attributable to:				
Owners of our Company	(3,887)	(2,167)	(5,346)	(2,125)
Basic and diluted loss per share (sen)[(2)]	(0.93)	(0.53)	(1.28)	(0.52)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026[(1)] (CONT'D)

Notes:

(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 attributable to owners of the Company divided by the weighted average number of ordinary shares of 411,716,936 as at 30 June 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.

PEOPLElogy BERHAD
Registration No.: 202301050253 (1544167-M)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026(1)

	Group	
	Unaudited	Audited
	As at 30.06.2026	As at 31.12.2025
	RM'000	RM'000
ASSETS		
Non-current assets		
Plant and equipment	884	718
Right-of-use assets	1,003	1,449
Intangible assets	1,858	1,592
Investment in associate company	-	951
Deferred tax assets	-	989
Total non-current assets	**3,745**	**5,699**
Current assets		
Trade receivables	1,804	3,030
Other receivables	1,567	2,933
Tax recoverable	164	189
Asset held for sale	500	-
Short-term investments	22,567	30,343
Fixed deposit with licensed bank	44	-
Cash and bank balances	4,622	5,477
Total current assets	**31,268**	**41,972**
TOTAL ASSETS	**35,013**	**47,671**
EQUITIES AND LIABILITIES		
Equity		
Share capital	37,834	37,834
Merger reserves	(6,860)	(6,860)
Foreign currency translation reserves	(66)	(2)
(Accumulated loss)/Retained earnings	(3,318)	2,890
TOTAL EQUITY	**27,590**	**33,862**
LIABILITIES		
Non-current liabilities		
Borrowings	2,026	2,130
Lease liabilities	310	599
Deferred tax liabilities	29	29
Total non-current liabilities	**2,365**	**2,758**
Current liabilities		
Trade payables	795	877
Other payables	2,771	8,154
Borrowings	219	214
Lease liabilities	656	786
Tax payable	617	1,020
Total current liabilities	**5,058**	**11,051**
TOTAL LIABILITIES	**7,423**	**13,809**
TOTAL EQUITIES AND LIABILITIES	**35,013**	**47,671**
Number of ordinary shares in issue	411,716,936	411,716,936
Net assets per share (RM)	0.07	0.08

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 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 SECOND QUARTER ENDED 30 JUNE 2026[1]

	Share capital	Merger reserves	Foreign currency translation reserves	(Accumulated loss)/ 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)	(5,282)	(5,346)
Dividends	-	-	-	(926)	(926)
Balance as at 30 June 2026	**37,834**	**(6,860)**	**(66)**	**(3,318)**	**27,590**

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 SECOND QUARTER ENDED 30 JUNE 2026[1]

	Group	
	Unaudited	**Unaudited**
	Current Year-To-Date 30.06.2026	**Preceding Year-To-Date 30.06.2025**
	RM'000	**RM'000**
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss before tax	(3,492)	(1,924)
Adjustments for:		
Depreciation of plant and equipment	148	176
Depreciation of right-of-use assets	457	373
Amortisation of intangible assets	52	52
Finance costs	88	236
Finance income	(384)	(4)
Unrealised (gain)/loss on foreign exchange	(17)	1
Impairment loss on investment in associate	284	-
Share of result of an associate company	167	127
Operating loss before changes in working capital	(2,697)	(963)
Changes in working capital		
Trade and other receivables	2,592	2,438
Trade and other payables	(5,531)	(4,074)
Contract costs	-	(697)
Associate company	-	(56)
Cash used in operations	(5,636)	(3,352)
Tax paid	(1,179)	(834)
Finance cost	(88)	(236)
Finance income	384	4
Net cash used in operating activities	(6,519)	(4,418)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of plant and equipment	(314)	(282)
Purchase of right-of-use assets	-	(34)
Purchase of intangible assets	(318)	(478)
Increase of fixed deposit with licensed bank	(44)	-
Net cash used in investing activities	(676)	(794)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(409)	(345)
Repayment of advance from Director	-	(362)
Drawdown of term loan	-	2,448
Repayment of term loan	(99)	-
Repayment of hire purchase liability	(21)	-
Dividend paid	(926)	(4,000)
Proceeds from issuance of ordinary shares	-	26,250
Short term investment withdrawal	7,776	-
Net cash from financing activities	6,321	23,991

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026[1] (CONT'D)

	Group	
	Unaudited	Unaudited
	Current Year-To-Date 30.06.2026	Preceding Year-To-Date 30.06.2025
	RM'000	RM'000
CASH AND CASH EQUIVALENTS		
Net (decrease)/increase in cash and cash equivalents	(874)	18,779
Cash and cash equivalents at the beginning of the financial period	5,477	3,927
Net effect of foreign exchange	19	(8)
Cash and cash equivalents at end of the financial period	**4,622**	**22,698**

Cash and cash equivalents included in the consolidated statement of cash flows comprised the following amount:

	Group	
	Unaudited	Unaudited
	Current Year-To-Date 30.06.2026	Preceding Year-To-Date 30.06.2025
	RM'000	RM'000
Cash and bank balances	4,622	22,698
Fixed deposit with licensed bank	44	-
	4,666	22,698
Less:		
Fixed deposit pledged with licensed bank	(44)	-
As per statement of cash flows	**4,622**	**22,698**

Note:

(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 30 June 2026 under review is as follows:

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		Year-To-Date	
	Unaudited 30.06.2026	Unaudited 30.06.2025	Unaudited 30.06.2026	Unaudited 30.06.2025
	RM'000	RM'000	RM'000	RM'000
Revenue by business segments				
Development	2,200	7,264	8,003	12,449
Digital	71	101	187	225
Discovery	63	208	126	208
	2,334	**7,573**	**8,316**	**12,882**
Elimination of inter-segment revenue	(256)	(1,534)	(565)	(1,636)
	2,078	**6,039**	**7,751**	**11,246**

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 30 June 2026 under review is as follows: (cont'd)

	Individual Quarter 3 Months Ended		Cumulative Quarter Year-To-Date	
	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000
Revenue by geographical markets				
Malaysia	2,078	6,001	7,751	11,181
Indonesia	-	25	-	29
Vietnam	-	13	-	36
	2,078	**6,039**	**7,751**	**11,246**

	Individual Quarter 3 Months Ended		Cumulative Quarter Year-To-Date	
	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2026 RM'000	Unaudited 30.06.2025 RM'000
Segment results				
Development	(2,209)	(1,838)	(1,688)	(1,247)
Digital	(405)	(280)	(829)	(481)
Discovery	(240)	107	(367)	10
Others	(572)	-	(737)	-
Loss from operations	**(3,426)**	**(2,011)**	**(3,621)**	**(1,718)**
Finance cost	(46)	(45)	(88)	(83)
Finance income	179	4	384	4
Share of result of an associate company	(72)	5	(167)	(127)
Loss before tax	**(3,365)**	**(2,047)**	**(3,492)**	**(1,924)**
Tax expenses	(458)	(120)	(1,790)	(201)
Loss for the financial period	**(3,823)**	**(2,167)**	**(5,282)**	**(2,125)**

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 30 June 2026 under review is as follows: (cont'd)

	Group	
	Unaudited	**Audited**
	As at 30.06.2026	**As at 31.12.2025**
	RM'000	**RM'000**
Segment assets		
Development	22,234	30,718
Digital	2,514	2,005
Discovery	705	1,078
Others	39,569	42,093
	65,022	**75,894**
Elimination	(30,009)	(28,223)
	35,013	**47,671**
Segment liabilities		
Development	12,021	21,562
Digital	6,588	5,250
Discovery	956	961
Others	2,257	3,085
	21,822	**30,858**
Elimination	(14,399)	(17,049)
	7,423	**13,809**

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

Save as disclosed below, there were no other material changes in the composition of the Group during the current financial quarter under review.

On 26 June 2026, the Group entered into a Share Sale Agreement for the disposal of its entire 30% equity interest in Fish Camp Learning Sdn Bhd for a cash consideration of RM500,000.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134 INTERIM FINANCIAL REPORTING (CONT'D)

A11. Changes in the composition of the Group (cont'd)

The disposal forms part of the Group's review of its investment portfolio and is intended to streamline its investment holdings. The disposal is not expected to result in any loss of multinational corporation customers to the Group, as the Group will continue to serve and pursue B2B customers through its existing business segments and solutions. The cash proceeds from the disposal will be utilised for general working capital purposes. The disposal is not expected to have any material effect on the Group's net assets, net assets per share and gearing. In connection with the disposal, the Group recognised an impairment loss on the investment in associate of approximately RM284,000 in the current quarter.

Following the disposal, Fish Camp Learning Sdn Bhd ceased to be an associate company of the Group.

A12. Contingent assets and contingent liabilities

	Group	
	Unaudited	**Audited**
	As at 30.06.2026	**As at 31.12.2025**
	RM'000	**RM'000**
Contingent Liabilities		
Corporate Guarantee to licensed bank for term loan and trade facilities granted to subsidiary	4,000	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	**Audited**
	As at 30.06.2026	**As at 31.12.2025**
	RM'000	**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

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		Year-To-Date	
	Unaudited 30.06.2026	Unaudited 30.06.2025	Unaudited 30.06.2026	Unaudited 30.06.2025
	RM'000	RM'000	RM'000	RM'000
Revenue	2,078	6,039	7,751	11,246
Gross profit	1,367	4,514	5,307	7,836
Loss before tax	(3,365)	(2,047)	(3,492)	(1,924)
Loss for the financial period	(3,823)	(2,167)	(5,282)	(2,125)

Financial performance excluding one-off expenses:

	Individual Quarter		Cumulative Quarter	
	3 Month Ended		Year-To-Date	
	Unaudited 30.06.2026	Unaudited 30.06.2025	Unaudited 30.06.2026	Unaudited 30.06.2025
	RM'000	RM'000	RM'000	RM'000
Loss before tax	(3,365)	(2,047)	(3,492)	(1,924)
Add:				
IPO listing expenses	-	3,091	-	3,091
Impairment loss on investment in associate	284	-	284	-
(Loss)/Profit before tax - Adjusted	(3,081)	1,044	(3,208)	1,167
Tax expenses	(458)	(120)	(1,790)	(201)
(Loss)/Profit after tax - Adjusted	(3,539)	924	(4,998)	966

For the current quarter ended 30 June 2026, the Group recorded revenue of RM2.08 million, representing a decrease of RM3.96 million or 65.6% from RM6.04 million recorded in the corresponding quarter of the previous financial year. The decrease was mainly attributable to lower revenue contribution from the Development segment, particularly the reduction in revenue from government funded training programmes following policy changes, which resulted in lower programme intake during the quarter.

Gross profit decreased by RM3.15 million or 69.6% to RM1.37 million, compared with RM4.51 million in the corresponding quarter of the previous financial year. Gross profit margin decreased to 65.8% from 74.7%, mainly due to a change in revenue mix, arising from lower revenue contribution from the government funded training programmes during the current quarter.

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

B1. Review of financial performance (cont'd)

The Group recorded a loss before tax of RM3.37 million for the current quarter, compared with a loss before tax of RM2.05 million in the corresponding quarter of the previous financial year. The higher loss was mainly due to the lower revenue recorded during the quarter, which resulted in lower gross profit and reduced operating cost absorption. This was further impacted by higher employee benefit expenses and administrative expenses during the quarter. The current quarter also included a one-off impairment loss on investment in associate of RM0.28 million. Excluding the one-off impairment loss and the IPO listing expenses recognised in the corresponding quarter of the previous financial year, the Group would have recorded an adjusted loss before tax of RM3.08 million, compared with an adjusted profit before tax of RM1.04 million in the corresponding quarter of the previous financial year.

The Group recorded a loss after tax of RM3.82 million for the current quarter, compared with a loss after tax of RM2.17 million in the corresponding quarter of the previous financial year. Excluding the one-off impairment loss and IPO listing expenses, the Group recorded an adjusted loss after tax of RM3.54 million for the current quarter, compared with an adjusted profit after tax of RM0.92 million in the corresponding quarter of the previous financial year.

For the six months ended 30 June 2026, the Group recorded cumulative revenue of RM7.75 million, representing a decrease of RM3.50 million or 31.1% from RM11.25 million recorded in the corresponding period of the previous financial year. The decrease was mainly due to lower revenue contribution from government funded training programmes and softer revenue conversion across the Group's principal revenue lines.

The Group recorded a cumulative loss before tax of RM3.49 million, compared with a loss before tax of RM1.92 million in the corresponding period of the previous financial year. The higher loss was mainly due to lower revenue contribution from government funded training programmes and softer revenue conversion across the Group's principal revenue lines. This was further impacted by higher employee benefit expenses and administrative expenses during the period. Excluding the one-off impairment loss on investment in associate of RM0.28 million and the IPO listing expenses of RM3.09 million recognised in the previous financial year, the Group recorded an adjusted loss before tax of RM3.21 million, compared with an adjusted profit before tax of RM1.17 million in the corresponding period of the previous financial year.

The Group recorded a cumulative loss after tax of RM5.28 million for the six months ended 30 June 2026, compared with a loss after tax of RM2.13 million in the corresponding period of the previous financial year. Excluding the one-off items, the Group would have recorded an adjusted loss after tax of RM5.00 million, compared with an adjusted profit after tax of RM0.97 million in the corresponding period of the previous financial year.

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

B2. Comparison with the immediate preceding quarter results

	Individual Quarter			
	Unaudited Current Quarter 30.06.2026	Unaudited Immediate Preceding Quarter 31.03.2026	Changes	
	RM'000	RM'000	RM'000	%
Revenue	2,078	5,673	(3,595)	(63.4)
Loss before tax	(3,365)	(127)	(3,238)	(>100.0)
Loss for the financial period	(3,823)	(1,459)	(2,364)	(>100.0)

The Group recorded a lower revenue of RM2.08 million for the current quarter ended 30 June 2026, representing a decrease of RM3.60 million or 63.4% from RM5.67 million recorded in the immediate preceding quarter ended 31 March 2026. The decrease was mainly attributable to lower revenue contribution from the Development segment, particularly the reduction in government funded training revenue following lower programme intake during the quarter.

The Group recorded a higher loss before tax of RM3.37 million for the current quarter, compared with a loss before tax of RM0.13 million in the immediate preceding quarter. The higher loss before tax was mainly due to lower revenue, which resulted in lower gross profit and operating cost absorption. The current quarter also included a one-off impairment loss of RM0.28 million on investment in associate.

The Group recorded a higher loss after tax of RM3.82 million for the current quarter, compared with a loss after tax of RM1.46 million in the immediate preceding quarter. The higher loss after tax was mainly due to the weaker operating result. No deferred tax expense was recognised during the current quarter, as the deferred tax assets had been fully reversed in the immediate preceding quarter.

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

B3. Prospects

The Group's operating environment is expected to remain supported by Malaysia's continued 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.

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 continue to focus on disciplined execution, cost base alignment and opportunities across the B2B and B2G segments, while advancing its strategic priorities in workforce capability development, digital learning and AI readiness. The Group remains mindful of the prevailing operating conditions and will continue to monitor the Group's performance and prospects closely.

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 30.06.2026	**Unaudited 30.06.2025**	**Unaudited 30.06.2026**	**Unaudited 30.06.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax	458	120	801	201
Deferred tax	-	-	989	-
Total income tax expense	**458**	**120**	**1,790**	**201**

As the Group recorded a loss before tax for the current quarter and year-to-date period, the effective tax rate is not meaningful.

The tax expense of RM0.46 million for the current quarter and RM1.79 million for the year-to-date period mainly attributable to non-deductible expenses. The year-to-date tax expense includes a deferred tax charge of RM0.99 million arising from the reversal of deferred tax assets recognised in the previous financial year.

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

B6. Status of corporate proposals

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

B7. Utilisation of proceeds from the public issue

As at 30 June 2026, the Group had utilised RM6.88 million, representing 26.2% 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 %**	**Estimated timeframe for the utilisation from date of listing**
Business expansion				
• Establish a Cyber Range computer simulation lab	8,500	981	11.5	Within 24 months
• Expansion through strategic investments, mergers and acquisitions opportunities	4,000	-	-	Within 24 months
• R&D of software	3,000	957	31.9	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 24 months(2)
General working capital	2,400	591	24.6	Within 24 months
Estimated listing expenses	4,350	4,350	100.0	Within 1 month
Total Public Issue Proceeds	**26,250**	**6,879**	**26.2**	

Note:

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

(2) Please refer to the announcement of the unaudited interim financial report for the first quarter ended 31 March 2026 dated 26 May 2026 for further information on the extension of timeframe for the utilisation of proceeds raised from the IPO. The extension of timeframe for the utilisation of IPO proceeds is not subject to any regulatory authorities, or shareholders' approval.

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	Audited
	As at 30.06.2026	As at 31.12.2025
	RM'000	RM'000
Non-Current		
Term loans	2,026	2,130
Current		
Term loans	219	214
	2,245	**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:

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		Year-To-Date	
	Unaudited 30.06.2026	Unaudited 30.06.2025	Unaudited 30.06.2026	Unaudited 30.06.2025
Loss attributable to owners of the Company (RM'000)	(3,823)	(2,167)	(5,282)	(2,125)
Number of ordinary shares in issue	411,716,936	411,716,936	411,716,936	411,716,936
Basic and diluted loss per share (sen)[(1)]	(0.93)	(0.53)	(1.28)	(0.52)

Note:

(1) Computed based on total loss attributable to owners of the Company divided by the weighted average number of ordinary shares of 411,716,936 as at 30 June 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.

B13. Loss before tax

The following items have been charged/(credited) in arriving at the loss before tax for the current quarter ended 30 June 2026.

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		Year-To-Date	
	Unaudited 30.06.2026	Unaudited 30.06.2025	Unaudited 30.06.2026	Unaudited 30.06.2025
	RM'000	RM'000	RM'000	RM'000
Loss before tax is arrived at after charging/(crediting)				
Depreciation of plant and equipment	80	86	148	176
Depreciation of right-of-use assets	243	197	457	373
Amortisation of intangible assets	26	26	52	52
Impairment loss on investment in associate	284	-	284	-
Finance costs	46	45	88	83
Finance income	(179)	(4)	(384)	(4)
Unrealised (gain)/loss on foreign exchange	(10)	-	(17)	1

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

B14. Authorisation of issue

The interim financial report was authorised for issue by the Board of Directors on 24 August 2026.