



K-One Technology Berhad

[Registration No. 200101004001 (539757-K)]

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

**Condensed Consolidated Statements of Comprehensive Income
For The First Quarter Ended 31 March 2025**

Figures in RM'000	3 months ended		YTD 3 months ended	
	31.3.2025 Unaudited	31.3.2024 Unaudited	31.3.2025 Unaudited	31.3.2024 Unaudited
Operating revenue	58,466	44,891	58,466	44,891
Cost of sales	(49,175)	(38,619)	(49,175)	(38,619)
Gross profit	9,291	6,272	9,291	6,272
Other income	294	2,759	294	2,759
Interest income	229	175	229	175
Operating expense	(8,845)	(6,907)	(8,845)	(6,907)
Profit before tax	969	2,299	969	2,299
Income tax expense	(284)	(614)	(284)	(614)
Profit for the period	685	1,685	685	1,685
Non-controlling interests	(15)	138	(15)	138
Profit after tax after Non-controlling interests	670	1,823	670	1,823

Profit/(Loss) attributable to:

Owners of the parent	670	1,823	670	1,823
Non-controlling interests	15	(138)	15	(138)
	685	1,685	685	1,685

Earnings per share (EPS)
attributable to owners of
the parent (sen):

Basic EPS	0.08	0.22	0.08	0.22
Diluted EPS	0.08	0.22	0.08	0.22

**Condensed Consolidated Statements of Comprehensive Income
For The First Quarter Ended 31 March 2025 (Cont'd)**

Figures in RM'000	3 months ended		YTD 3 months ended	
	31.3.2025 Unaudited	31.3.2024 Unaudited	31.3.2025 Unaudited	31.3.2024 Unaudited
Profit for the period	685	1,685	685	1,685
Items that may be subsequently reclassified to profit:				
Foreign currency translation	(3)	108	(3)	108
Total comprehensive income	682	1,793	682	1,793

Total comprehensive income/(loss) attributable to:

Owners of the parent	704	1,931	704	1,931
Non-controlling interests	(22)	(138)	(22)	(138)
	682	1,793	682	1,793

The above condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Financial Position
As At 31 March 2025

Figures in RM'000	Unaudited 31.3.2025	Audited 31.12.2024
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	20,157	17,837
Intangible assets	3,688	3,692
Goodwill on consolidation	22,676	22,676
Investment property	4,416	4,440
Deferred tax assets	4,852	4,853
Total Non-Current Assets	55,789	53,498
<u>Current Assets</u>		
Inventories	25,513	24,044
Trade receivables	45,386	40,352
Other receivables	7,318	10,169
Contract assets	6,768	6,566
Tax recoverable	855	706
Short term cash investments	5,692	5,666
Cash and bank balances	43,317	47,999
Total Current Assets	134,849	135,502
TOTAL ASSETS	190,638	189,000

EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	123,644	123,644
Reserves	(281)	(315)
Non-controlling interests	1,652	1,674
Retained earnings	(7,767)	(8,437)
Total Equity	117,248	116,566

Condensed Consolidated Statements of Financial Position
As At 31 March 2025 (Cont'd)

Figures in RM'000	Unaudited 31.3.2025	Audited 31.12.2024
EQUITY AND LIABILITIES (Cont'd)		
<i><u>Non-Current Liabilities</u></i>		
Deferred income	575	668
Lease liabilities	162	221
Total Non-Current Liabilities	737	889
<i><u>Current Liabilities</u></i>		
Trade payables	43,302	42,088
Other payables and accruals	7,583	8,051
Contract liabilities	19,932	19,198
Current tax liabilities	1,235	1,611
Deferred income	371	371
Lease liabilities	230	226
Total Current Liabilities	72,653	71,545
Total Liabilities	73,390	72,434
TOTAL EQUITY AND LIABILITIES	190,638	189,000
Net assets per share attributable to owners of the parent (sen)	14.09	14.01

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Changes in Equity
For The First Quarter Ended 31 March 2025**

	←----- Attributable to Owners of the Parent ----->					Non-controlling Interests	Total Equity
	Non-distributable		Distributable				
	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Retained Earnings	Sub-Total		
Figures in RM'000							
At 1 January 2025	123,644	(315)	-	(8,437)	114,892	1,674	116,566
Comprehensive income/(loss)							
Profit for the period	-	-	-	670	670	15	685
Other comprehensive Income/(loss)							
Foreign currency translation difference	-	34	-	-	34	(37)	(3)
Total comprehensive Income/(loss)	-	34	-	670	704	(22)	682
At 31 March 2025	123,644	(281)	-	(7,767)	115,596	1,652	117,248

**Condensed Consolidated Statements of Changes in Equity
For The First Quarter Ended 31 March 2025 (Cont'd)**

	←----- Attributable to Owners of the Parent ----->					Non- controlling Interests	Total Equity
	←----- Non-distributable ----->		-----> Distributable ----->				
	Share Capital	Foreign Currency Translation Reserve	Other Reserve	Retained Earnings	Sub-Total		
Figures in RM'000							
At 1 January 2024	123,644	(2)	-	(8,640)	115,002	1,454	116,456
Comprehensive Income/(loss)							
Profit/(loss) for the period	-	-	-	1,823	1,823	(138)	1,685
Other comprehensive income							
Foreign currency translation difference	-	108	-	-	108	-	108
Total comprehensive income/(loss)	-	108	-	1,823	1,931	(138)	1,793
At 31 March 2024	123,644	106	-	(6,817)	116,933	1,316	118,249

The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Cash Flows
For The First Quarter Ended 31 March 2025**

Figures in RM'000	3 months ended	
	31.3.2025	31.3.2024
CASH FLOW FROM OPERATING ACTIVITIES		
<i>Profit before taxation</i>	969	2,299
Adjustments for:		
Amortisation of computer software	4	4
Depreciation of property, plant and equipment	810	800
Depreciation of investment property	24	24
Fair value gain on short term cash investment	(26)	(12)
Amortisation of government grant income	(93)	-
Interest expense on lease liabilities	7	11
Interest income	(229)	(175)
Foreign exchange loss/(gain) – unrealized	276	(235)
Operating profit before working capital changes	1,742	2,716
Changes in working capital:		
(Increase)/Decrease in inventory	(1,469)	5,137
Increase in receivables	(2,385)	(11,012)
Increase in payables	1,480	2,647
Net cash used in operations	(632)	(512)
Taxation paid	(408)	(364)
Interest received	229	175
Net cash used in operating activities	(811)	(701)
CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of short-term cash fund	-	2,500
Withdrawal of deposits with licensed bank	1,548	3,376
Capitalisation of intangible assets	-	(384)
Purchase of property, plant and equipment	(3,130)	(615)
Net cash (used in)/generated from investing activities	(1,582)	4,877
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid on lease liabilities	(7)	(11)
Payment of lease liabilities	(55)	(52)
Net cash used in financing activities	(62)	(63)

**Condensed Consolidated Statements of Cash Flows
For The First Quarter Ended 31 March 2025 (Cont'd)**

Figure in RM'000	3 months ended	
	31.3.2025	31.3.2024
Net (decrease)/increase in cash and cash equivalents	(2,455)	4,113
Effect of exchange rate changes	(679)	117
Cash and cash equivalents at beginning of the financial year	25,336	17,927
CASH AND CASH EQUIVALENT AT END OF THE PERIOD	22,202	22,157

COMPOSITION OF CASH AND CASH EQUIVALENTS

Figure in RM'000	3 months ended	
	31.3.2025	31.3.2024
Cash and bank balances	22,202	22,157
Deposit placed with licensed banks	21,115	18,598
	43,317	40,755
Less: Non-short term fixed deposits	(21,115)	(18,598)
	22,202	22,157

The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial statements.

Part A: Explanatory Notes Pursuant to Financial Reporting Standard 134 ("FRS 134") - Interim Financial Reporting

1. BASIS OF PREPARATION

The interim financial statements are unaudited and has been prepared in accordance with MFRS 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) for the ACE Market and should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 December 2024.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024, except for the following Malaysian Financial Reporting Standards (MFRSs) and IC Interpretations (IC Int):

Amendments/Improvements to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENT

The audited financial statements of the preceding financial year were not subjected to any qualification.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The K-One Group's Electronics Manufacturing Services (EMS) business is predominantly export-oriented (97.2% export in 1Q'25; 97.8% export in 1Q'24) and is subject to seasonal fluctuations. Business in the second half of the year is normally stronger than the first half due to surge in demand attributed mainly to the consumer electronics market in conjunction with Christmas and New Year seasons overseas.

Revenue contribution from the Cloud Computing (Cloud) business is mainly derived from Malaysia with growing contributions from Singapore, Indonesia and Vietnam. Cloud revenue is not subject to any obvious seasonality.

4. UNUSUAL ITEM DUE TO THEIR NATURE, SIZE OR INCIDENCE

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows to the effect that is unusual in nature, size or incidence.

5. MATERIAL ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the financial year-to-date results.

6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the period.

7. DIVIDENDS PAID

No dividend was paid during the quarter under review.

8. Notes to Consolidated Statement of Comprehensive Income

Figures in RM'000	3 months ended		YTD 3 months ended	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
Amortisation of computer software	(4)	(4)	(4)	(4)
Depreciation of:				
-property, plant and equipment	(810)	(800)	(810)	(800)
-investment property	(24)	(24)	(24)	(24)
Inventories written down	-	-	-	-
Foreign exchange gain/(loss)				
- realized	147	(72)	147	(72)
- unrealized	(276)	235	(276)	235
Fair value gain on short term cash investment	26	12	26	12
Amortisation of government grant income	93	-	93	-
Interest income	229	175	229	175
Interest expense on lease liabilities	(7)	(11)	(7)	(11)

9. SEGMENT INFORMATION

Segment information is provided based on contribution by activities, sales contribution by geography and sales by major customers. Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the segments are presented under unallocated expenses, assets and liabilities respectively.

(a) Contribution by Activities

	Research, D&D and Sales	Manu- facturing	Cloud	Invest- ment Holding	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Sales					
External sales	1,130	25,066	32,270	-	58,466
Internal sales	-	-	-	-	-
Total operating sales	1,130	25,066	32,270	-	58,466
Others and interest income	63	261	100	99	523
	1,193	25,327	32,370	99	58,989
Results					
Segment results	52	-	918	(1)	969
Finance costs	-	-	-	-	-
Income tax expense	(26)	-	(258)	-	(284)
Profit/(loss) after tax before non-controlling interests	26	-	660	(1)	685
Non-controlling interests	-	-	(15)	-	(15)
Profit/(loss) after tax after non-controlling interests	26	-	645	(1)	670
Other information					
Segment assets	41,375	78,459	56,010	9,085	184,929
Unallocated assets					5,709
					190,638
Segment liabilities	1,329	30,789	40,031	9	72,158
Unallocated liabilities					1,232
					73,390

9. SEGMENT INFORMATION (Cont'd)

(b) Sales Contribution by Geography for the EMS and Cloud Businesses

The geographical sales breakdown is as follows:

	3 months ended 31.3.2025		
	EMS RM'000	Cloud RM'000	Total RM'000
Malaysia	743	23,122	23,865
Asia (excluding Malaysia)	7,589	8,972	16,561
Europe	14,064	45	14,109
US	2,049	5	2,054
Oceania	854	5	859
Middle East	918	100	1,018
	26,217	32,249	58,466

	3 months ended 31.3.2024		
	EMS RM'000	Cloud RM'000	Total RM'000
Malaysia	534	12,605	13,139
Asia (excluding Malaysia)	7,061	7,581	14,642
Europe	10,124	16	10,140
US	5,743	-	5,743
Oceania	903	-	903
Middle East	324	-	324
	24,689	20,202	44,891

Note: 1) The EMS business is 97.2% (1Q'24: 97.8%) derived from the export markets with the balance of 2.8% (1Q'24: 2.2%) from the local (Malaysian) market.

2) The Cloud business is 28.3% (1Q'24: 37.6%) derived from the overseas markets with the balance of 71.7% (1Q'24: 62.4%) derived from the local (Malaysian) market.

(c) Sales to Major Customers

For the 3 months ended 31 March 2025, two (2) major international customers contributed more than 10% of the Group's revenue.

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment during the financial quarter under review.

11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial quarter ended 31 March 2025.

12. CONTINGENT ASSETS & LIABILITIES

As at the end of the quarter under review, the corporate guarantee for credit facilities granted to a subsidiary but not utilised as the Group has cash surplus was:-

	<u>RM'000</u>
K-One Industry Sdn Bhd	<u>20,576</u>

13. CAPITAL COMMITMENTS

There were no material capital commitments for the period under review.

14. SUBSEQUENT EVENT

There are no subsequent events which have a material impact on the financial statements under review.

15. PERFORMANCE REVIEW

(a) Current quarter compared to the corresponding quarter of last year (1Q'25 vs 1Q'24)

For the first quarter ended 31 March 2025, the Group delivered sales revenue of RM58.5 million, representing sturdy growth of 30% from RM44.9 million in the corresponding quarter last year (1Q'24). The strong growth was primarily driven by the robust performance of the Cloud Computing ("Cloud") business, supplemented by a moderate uptrend in Electronics Manufacturing Services ("EMS") sales.

EMS Sales

Sales from the EMS business rose steadily to RM26.2 million in the current quarter from RM24.7 million in the corresponding quarter last year, denoting an increase of 6%. This improvement stemmed from the increased demand of electronic headlamps, floorcare products, consumer electronics products and medical/healthcare devices which overwhelmed the softening experienced in industrial equipment and IoT gadgets.

Cloud Sales

Cloud sales sprung to RM32.3 million in 1Q'25 as compared with RM20.2 million in the corresponding quarter last year, marking a strong sales surge of 60% bolstered by recurring revenues, new customer acquisitions, growing contributions from its overseas subsidiaries and a notable increase in development projects. Additionally, hyperscaler investments in local data centers and their streaming by major multinationals, in particular AWS, Google and Microsoft further fueled the market demand. The Group remains confident in the Cloud's long-term outlook, especially as it continues to penetrate fresh opportunities in the financial and public sectors.

Earnings

The EMS business reported a profit of RM0.02 million while the Cloud business contributed a profit of RM0.7 million, resulting in a net profit of RM0.7 million in 1Q'25 as compared to a net profit of RM1.8 million for the corresponding quarter last year.

The EMS business's net profit compressed to RM0.02 million as compared with a net profit of RM1.4 million in the corresponding quarter last year due mainly to the absence of a RM2.4 million government grant disbursed in 1Q'24 and elevated operational costs.

The Cloud business posted a healthy improvement in net profit, rising to RM0.7 million from RM0.4 million in the previous year's corresponding quarter, mirroring higher revenue from the Cloud migration and infrastructure deployment projects.

15. PERFORMANCE REVIEW (Cont'd)

(b) Current quarter versus the preceding quarter (1Q'25 vs 4Q'24)

The Group's business performance demonstrated resilience with sales revenue rising by 8% to RM58.5 million in the current quarter (1Q'25) from RM54.1 million in the preceding quarter (4Q'24), with both the EMS and Cloud businesses contributing to the uptrend.

EMS Sales

EMS sales rose significantly by 30% to RM26.2 million from RM20.2 million in the preceding quarter, primarily attributed to the vibrant demand of new headlamp models and floorcare products. Besides, product innovation consisting of design and development and tool making for the purpose of developing cum manufacturing of new products for specific new customers in the medical/healthcare and consumer electronics segments helped to further boost sales in the current quarter. Mass production for these new products and new customers is expected run in the coming quarters.

Cloud Sales

Cloud sales posted a marginal decline of 5% to RM32.3 million in 1Q'25 from RM33.9 million in 4Q'24. The slight quarter-over-quarter moderation was primarily due to a one-off hardware sale in the preceding quarter and softer subscription sales from the Indonesian subsidiary in the current quarter. Nevertheless, underlying demand for Cloud solutions remains robust, supported by ongoing digitalisation trends and the Group's continued focus on expanding its service offerings and client base.

Earnings

Group earnings made a strong comeback in the current quarter, reversing the net loss of RM0.6 million reported in the preceding quarter (4Q'24) to a net profit of RM0.7 million.

The EMS business returned to profitability with a positive net profit of RM0.02 million in the current quarter versus a loss of RM0.7 million in the previous quarter, supported by higher sales volume and margin recovery (1Q'25: 17%; 4Q'24: 11%), reflecting early signs of earnings stabilization.

The Cloud business turned in a net profit of RM0.7 million as compared to RM0.1 million in the previous quarter driven by sturdy sales and normalized operating expenses in relation to higher employee benefit expenses during year end.

16. COMMENTARY ON PROSPECTS AND TARGETS

Entering 2025, the Group is cautiously optimistic about its business growth trajectory, supported by a resilient 1Q'25 performance from its core Cloud and EMS businesses. The global economy is undergoing structural shifts, the main driver being President Trump's announcement on "Liberation Day" (2 April 2025) the imposition of basic universal tariff of 10% with additional reciprocal tariffs which varies from country by country, ranging from 10% to 50%. Although President Trump on 9 April 2025 announced a 90-day pause on the reciprocal tariffs to provide room for negotiations, the global economy has been thrown into chaos. Further, the US and China trade talk in Geneva on 10-11 May 2025 with US agreeing to reduce tariffs on Chinese imports to 30% while China dropping duties on US goods to 10% by 14 May 2025 and extending the grace period by three more months to resolve their differences may provide some comfort but not likely to calm the jittery global economy as the damage had been done.

The Group believes that the US tariff war will have minimal impact on its EMS, Cloud and Healthcare businesses. On the EMS front, based on historical record, export to the US averages about 10% of the total EMS business as it has always been Euro-centric with 60-70% on average of its business derived from Europe. Based on the 2 April 2025 "Liberation Day" announcement, Malaysia with a reciprocal tariff rate of 24% has comparative advantage over its ASEAN counterparts. Hence, Malaysia and the Group have a unique window of opportunity to benefit from manufacturing relocations as multinationals reconfigure their geographical footprints and rebalance supply chains. On the Cloud front, the US tariff has no impact on its business as it is very much focused in Malaysia with some attributed to ASEAN. Last but not least, its emerging Healthcare business is entirely conducted in Malaysia, therefore, the US tariff poses no impact at all.

EMS Business

1) The EMS business is poised for stronger performance, backed by a healthy pipeline of projects from existing customers and new customers spanning consumer electronics products, industrial equipment, medical/healthcare devices, and IoT gadgets. It is envisaged that several new customers' products in the consumer electronics, medical/healthcare and industrial segments respectively are expected to move to mass production in the coming months which would contribute to sales revenue growth.

2) Another key growth driver moving forward is the incremental business for floorcare products and its associated spare parts and sub-assemblies business for supply to the Asia region as the specific customer intends to divert additional business to the Group. As a recap, the Group is acting as the Asia hub for supply of spare parts and sub-assemblies for maintenance purpose on top of manufacturing floorcare products for the specific customer.

16. COMMENTARY ON PROSPECTS AND TARGETS (Cont'd)

EMS Business (Cont'd)

3) The Group is strategically positioned to benefit from the anticipated wave of manufacturing relocations from China although the recent Geneva agreement between US and China to reduce each other's reciprocal tariffs provided a temporary relief. Malaysia was slapped on the lighter side of the reciprocal tariff rate at 24% which provides comparative advantage over its key competitors in the ASEAN fraternity. Although there is a 90-day suspension on the reciprocal tariff rate which is expected to end in early June 2025, the Group is hopeful that Malaysia would be granted the lower end of the reciprocal tariff rate as compared to its neighboring countries, which would then put it as the manufacturing relocation of choice. Towards this end, the Group is in preliminary negotiations with specific parties to manufacture their new products in Malaysia to mitigate Trump's flip-flop decision making style which is creating much uncertainty in the global market. In this respect, the Group has always and will abide by the local content requirements and other rules to qualify for the "Made in Malaysia" country of origin.

Cloud Business

1) The Cloud business is undoubtedly a key growth engine, with significant opportunities unfolding across ASEAN. The Group's proven track record, evidenced by multiple AWS and Google awards, the latest being the AWS Managed Service Provider (MSP) badge enhances its credibility and execution capabilities. With established subsidiaries in Singapore, Indonesia and Vietnam, the Group benefits from local presence and proximity to major markets in support of its regional expansion in the fast-growing Cloud space.

2) In Malaysia, strong demand is expected to persist, buoyed by digitalisation trends and the proliferation of data center establishment across the peninsula. Notably, AWS launched its first local data center at Cyberjaya in August 2024, followed by Google's at Elmina Business Park in October 2024. The Group's cloud arm, G-AsiaPacific Sdn Bhd (GAP) is well-positioned to capitalise on these recent developments which are opening new opportunities in the financial and public sectors that require local data center residency. Given its status as a premier partner to major Cloud providers, places it in an advantageous spot to clinch such potential customers which were out reach before.

3) To maintain service excellence in a rapidly evolving landscape, the Group prioritises continuous talent development through structured upskilling, industry certifications and cross-border collaboration within its ASEAN teams. It is also differentiating itself by offering AI applications, AI training courses, cybersecurity services and data analytics to align with emerging customer requirements.

16.COMMENTARY ON PROSPECTS AND TARGETS (Cont'd)

Healthcare Business

1) In the Healthcare business, growth prospects remain encouraging. As the exclusive distributor of Diversey hygiene-care products, the Group continues to expand its reach across hospitals, eldercare facilities and the food and beverage sector. Customer interest in high-quality, environmentally friendly hygiene solutions is anticipated to translate into stronger sales momentum as the year unfolds.

2) Adding to its growing healthcare portfolio, the Group recently secured an exclusive four-year distribution agreement with UK-based CIGA Healthcare. Under the deal, K-One Wellness Sdn Bhd, a wholly owned subsidiary will distribute CIGA's fertility and general healthcare self-test kits in Malaysia which, after securing the necessary Medical Device Authority's (MDA) approvals, is expected to generate steady sales revenue.

3) The Group's recent appointment by Mindray to distribute Automated External Defibrillators (AEDs) on a non-exclusive basis to non-hospitals in Malaysia is timely with the government considering introducing regulations to install AEDs in public places, including transportation hubs, shopping malls, sports complexes, schools and work premises. The Sarawak government may be the first to mandate the fixing of AEDs in public places in the months to come. With growing public awareness on the importance of AEDs in saving lives during cardiac emergencies, it is expected to generate sturdy sales.

Barring unforeseen circumstances, the Group expects to sustain its business momentum through targeted strategic and operational initiatives across its EMS, Cloud and Healthcare businesses. While the global economic and geopolitical environment remains volatile, the Group is adopting a prudent approach in navigating these uncertainties.

Nonetheless, the Group remains confident in its long-term resilience, leveraging its experience, wisdom, and operational agility. With a debt-free balance sheet and a healthy cash surplus of RM49 million, the Group is strategically placed to drive continued growth and pursue synergistic acquisitions under its long-term strategy.

17. INTANGIBLE ASSETS

Figures in RM'000	Ventilator Development	Software Development	Total
Cost			
At 1 January 2025	3,659	337	3,996
Addition	-	-	-
	3,659	337	3,996
Accumulated amortisation			
At 1 January 2025	-	304	304
Amortisation charged	-	4	4
	-	308	308
Net carrying value At 31 March 2025	3,659	29	3,688

Figures in RM'000	Ventilator Development	Software Development	Total
Cost			
At 1 January 2024	2,019	89	2,108
Addition	383	-	383
	2,402	89	2,491
Accumulated amortisation			
At 1 January 2024	-	39	39
Amortisation charged	-	4	4
	-	43	43
Net carrying value At 31 March 2024	2,402	46	2,448

18. INCOME TAX EXPENSE

	3 months ended		YTD 3 months ended	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM'000	RM'000	RM'000	RM'000
Current corporate tax expense	284	398	284	398
Deferred tax income	-	216	-	216
Total Income Tax Expense	284	614	284	614

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period.

19. PURCHASES OR SALES OF UNQUOTED SECURITIES AND PROPERTIES

There were no purchases or disposal of unquoted securities and properties during the financial quarter.

20. QUOTED SECURITIES

There were no purchases or disposal of quoted securities during the financial quarter under review.

21. CORPORATE PROPOSALS

There are no corporate proposals announced but not completed as at the reporting date.

22. BORROWINGS AND DEBTS SECURITIES

The Group has neither any secured nor unsecured borrowings as at 31 March 2025.

23. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

As at the end of the current quarter and up to the date of this report, there are no off-balance sheet financial instruments which have a material impact to the financial statements under review.

24. CHANGES IN MATERIAL LITIGATION

As at the date of this report, the Group is not engaged in any material litigation as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group.

25. PROPOSED DIVIDEND

There is no dividend proposed in the current quarter and the previous corresponding quarter.

26. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share are based on the profit for the period attributable to equity holders of the Company and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Basic/Diluted earnings per share

	3 months ended		YTD 3 months ended	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
Profit attributable to equity holders of the parent (RM'000)	670	1,823	670	1,823
Weighted average number of ordinary shares in issue ('000)	832,007	832,007	832,007	832,007
Basic/Diluted earnings per ordinary share (sen)	0.08	0.22	0.08	0.22

27. AUTHORIZED FOR ISSUE

The interim financial statements are authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 28 May 2025.

BY ORDER OF THE BOARD

LIM LI HEONG (MAICSA 7054716)
WONG MEE KIAT (MAICSA 7058813)
Company Secretaries

28 May 2025