



SNS NETWORK TECHNOLOGY BERHAD

Registration No: 201601002835 (1173761-W)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED
31 JULY 2025

SNS NETWORK TECHNOLOGY BERHAD
(Registration No. 201601002835 (1173761-W))
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 31 JULY 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025 Unaudited RM'000	Corresponding Quarter 31.07.2024 Unaudited RM'000	Current Period-to-date 31.07.2025 Unaudited RM'000	Corresponding Period-to-date 31.07.2024 Unaudited RM'000
Revenue	1,748,840	303,710	2,571,593	517,295
Cost of sales	(1,680,359)	(281,913)	(2,468,028)	(475,623)
Gross profit	68,481	21,797	103,565	41,672
Other operating income	2,845	2,455	5,889	4,997
Other gains and losses	2,478	181	1,134	576
Investment revenue	93	83	139	255
Impairment (loss)/gain on financial assets - net	(22,777)	(112)	(22,738)	150
Selling and distribution expenses	(14,881)	(9,410)	(30,339)	(20,666)
General and administrative expenses	(7,468)	(5,553)	(13,548)	(11,308)
Profit from operations	28,771	9,441	44,102	15,676
Finance costs	(1,737)	(1,048)	(3,629)	(2,176)
Profit before tax	27,034	8,393	40,473	13,500
Tax expenses	(6,474)	(2,048)	(9,670)	(3,413)
Profit and total comprehensive income for the financial period attributable to equity holders of the Group	20,560	6,345	30,803	10,087
Earning per share attributable to equity holders of the Group:				
Basic ⁽²⁾ (sen)	1.23	0.39	1.84	0.63
Diluted ⁽³⁾ (sen)	1.19	0.37	1.74	0.61



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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 SNS Network Technology Berhad ("**SNS**" or the "**Company**") and its subsidiaries ("**SNS Group**" or the "**Group**") for the financial year ended ("**FYE**") 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*
- (2) *Basic earnings per share ("**EPS**") is calculated by dividing profit after tax attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective current and preceding financial quarters and financial period-to-date under review.*
- (3) *The diluted EPS has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible employees.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	As at 31.07.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	73,054	70,873
Right-of-use assets	13,378	15,120
Finance lease receivables	61,980	31,229
Trade receivables	2,657	3,241
Total non-current assets	151,069	120,463
Current assets		
Inventories	125,576	126,287
Trade and other receivables	444,641	207,805
Finance lease receivables	25,630	14,960
Current tax assets	2,104	2,494
Fixed deposits, cash and bank balances	219,591	88,397
Total current assets	817,542	439,943
TOTAL ASSETS	968,611	560,406
<u>EQUITY AND LIABILITIES</u>		
Capital and reserves		
Share capital	172,669	172,669
Capital reserve	(55,329)	(55,329)
Share-based payment reserve	131	131
Retained earnings	183,435	158,916
TOTAL EQUITY	300,906	276,387
Non-current liabilities		
Borrowings	31,534	19,384
Lease liabilities	4,552	5,107
Deferred tax liabilities	4,795	4,795
Total non-current liabilities	40,881	29,286

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾ (CONT'D)

	As at 31.07.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
Current liabilities		
Trade and other payables	493,972	183,198
Contract liabilities	131	147
Dividends payable	4,189	-
Borrowings	112,195	59,313
Lease liabilities	9,171	10,324
Current tax liabilities	7,166	1,751
Total current liabilities	626,824	254,733
TOTAL LIABILITIES	667,705	284,019
TOTAL EQUITY AND LIABILITIES	968,611	560,406
Net assets per ordinary share attributable to Equity holders of SNS Group (RM)⁽²⁾	0.18	0.16

Notes:

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

⁽²⁾ Net assets per ordinary share is calculated based on total equity as at the end of each financial period/year divided by 1,675,757,966 ordinary shares.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

	← Attributable to Equity Holders of SNS Group →				
	Share capital RM'000	Non-distributable Capital reserve RM'000	Non-distributable Share-based payment reserve RM'000	Distributable Retained earnings RM'000	Total Equity RM'000
Balance as of 1 February 2025	172,669	(55,329)	131	158,916	276,387
Profit for the financial period	-	-	-	30,803	30,803
Dividends	-	-	-	(6,284)	(6,284)
Balance as of 31 July 2025	172,669	(55,329)	131	183,435	300,906
Balance as of 1 February 2024	151,420	(55,329)	2,783	144,779	243,653
Profit for the financial period	-	-	-	10,087	10,087
Dividends	-	-	-	(8,064)	(8,064)
Share-based payment relating to ESOS	-	-	38	-	38
Balance as of 31 July 2024	151,420	(55,329)	2,821	146,802	245,714

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 FYE 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 31 JULY 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

	CUMULATIVE QUARTER	
	Current	Corresponding
	Period-to-date	Period-to-date
	31.07.2025	31.07.2024
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	40,473	13,500
Adjustments for:		
Depreciation of right-of-use assets	6,089	6,084
Finance costs	3,629	2,176
Write down in values of inventories to net realisable values	820	215
Depreciation of property, plant and equipment	1,395	1,093
Loss allowances/(reversal of loss allowances) recognised in profit or loss	22,738	(150)
Bad debts written off	86	-
Property, plant and equipment written off	-	48
Loss on disposal of property, plant and equipment	1	-
Interest income from finance lease receivables	(2,033)	(1,359)
Interest income from long term trade receivable	(57)	(88)
Investment revenue	(139)	(255)
Interest income from cash and bank balances	(321)	(48)
Interest income from refundable performance bond	-	(308)
Late payment charges to customers	(328)	(39)
Gains arising from lease terminations	(2)	-
Unrealised gain on foreign exchange	(536)	(54)
Share-based payment expenses	-	38
Operating profit before working capital changes	71,815	20,853
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	(108)	(18,896)
Trade and other receivables	(259,077)	(1)
Finance lease receivables	(41,421)	(406)
(Decrease)/Increase in:		
Trade and other payables	310,773	(22,741)
Contract liabilities	(15)	18
Cash from/(used in) operating activities	81,967	(21,173)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾ (CONT'D)

	CUMULATIVE QUARTER	
	Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
Interests received	2,739	1,843
Finance costs paid	(574)	(295)
Income tax refunded	136	-
Income tax paid	(4,001)	(3,919)
Net cash from/(used in) operating activities	80,267	(23,544)
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	2	-
Interest received on fixed deposits	139	255
Purchase of property, plant and equipment	(3,579)	(2,956)
Withdrawal/(Placement) of fixed deposits	210	(1,153)
Net cash used in investing activities	(3,228)	(3,854)
Cash flows from financing activities		
Drawdown of term loans and financing	15,000	-
Proceeds from bankers' acceptances - net	48,649	11,053
Proceeds from other financing	5,185	-
Repayment of lease liabilities	(6,053)	(6,150)
Repayment of term loans	(906)	(442)
Repayment of other financing	(2,729)	(1,961)
Finance costs paid	(3,055)	(1,881)
Repayment of hire-purchase payables	(167)	(217)
Dividend paid	(2,095)	(4,032)
Net cash from/(used in) financing activities	53,829	(3,630)
Net increase/(decrease) in cash and cash equivalents	130,868	(31,028)
Cash and cash equivalents at the beginning of the financial period	84,603	118,768
Effect of exchange rate changes on the balance of cash held in foreign currencies	536	54
Cash and cash equivalents at the end of the financial period	216,007	87,794



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾ (CONT'D)

Notes:

- ⁽¹⁾ *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the FYE 31 January 2025 and the accompanying explanatory notes attached to this condensed interim financial report.*
- ⁽²⁾ *Cash and cash equivalents at the end of the financial period comprise:*

	CUMULATIVE QUARTER	
	Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	15,285	13,091
Income fund with a licensed financial institution (redeemable upon 1 day notice)	29,714	30,486
Cash and bank balances	174,592	48,076
	<hr/> 219,591	<hr/> 91,653
Less:		
Fixed deposits pledged to licensed banks	(3,584)	(3,859)
	<hr/> 216,007	<hr/> 87,794

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND (2ND) QUARTER ENDED 31 JULY 2025

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES ON TO THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT

A1. Basis of preparation

The condensed consolidated interim financial statements of the Group is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards ("**MFRS**") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**"), International Financial Reporting Standard, requirements of the Companies Act, 2016 in Malaysia, and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 31 January 2025.

A2. Significant accounting policies

The accounting policies adopted by the Group in the preparation of this condensed interim financial report are consistent with those adopted as disclosed in the Group's audited financial statements for the financial year ended 31 January 2025 in the Annual Report of the Company, except for the adoption of amended MFRSs and IC Interpretations which are relevant to its operations and effective for the financial period beginning on or after 1 February 2025. The adoptions of these amended MFRSs and IC Interpretations have no material impact on the condensed interim financial report of the Group.

At the date of authorisation for the issuance of this condensed interim financial report, MASB has approved certain new standards, amendments and interpretations to existing standards, which are not yet effective and have not been early adopted by the Group. The management anticipates that all the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements. New standards, amendments, and interpretations to existing standards are not expected to have a material impact on the Group's condensed interim financial report.

A3. Audited Report of Preceding Annual Financial Statements

The audited consolidated financial statements for the FYE 31 January 2025 was not subject to any qualification.



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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A4. Seasonal or Cyclical Factors

The Group does not experience significant fluctuation in operations due to seasonal factors during the current financial quarter and period-to-date under review.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature in size or incidence during the current financial quarter under review.

A6. Material Changes in Estimates

There were no material changes in the estimates of amounts reported that have material effects on the results for the current financial quarter under review.

A7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter under review.

A8. Dividend Paid

On 26 March 2025, the Board of Directors approved a fourth interim single-tier dividend of 0.125 sen per ordinary share amounting to RM2,094,698 in respect of the financial year ended 31 January 2025. The dividend was paid on 26 May 2025.

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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental Reporting

a) Revenue by Business Activities:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025 RM'000	Corresponding Quarter 31.07.2024 RM'000	Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
Sale of ICT products	1,747,629	301,802	2,568,113	513,226
Provision of device repair and related services, as well as sale of broadband services	1,211	1,908	3,480	4,069
	<u>1,748,840</u>	<u>303,710</u>	<u>2,571,593</u>	<u>517,295</u>

b) Revenue by Geographical Market:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025 RM'000	Corresponding Quarter 31.07.2024 RM'000	Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
Malaysia	1,742,958	293,765	2,538,030	498,643
Overseas				
- Hong Kong	2,324	575	15,152	575
- Singapore	775	5,878	11,967	11,254
- Others ⁽¹⁾	2,783	3,492	6,444	6,823
	<u>1,748,840</u>	<u>303,710</u>	<u>2,571,593</u>	<u>517,295</u>

Note:

⁽¹⁾ Comprise mainly Brunei, Denmark, Indonesia, the Maldives, Thailand, Vanuatu and the United States.

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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A10. Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the current financial quarter under review 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.

A12. Contingent Liabilities and Contingent Assets

There were no other material contingent liabilities and contingent assets of the Group as at the end of the current financial quarter under review.

A13. Significant Related Party Transactions

Significant transactions between the Group and a related party are as follows:

Type of transactions	Current Quarter 31.07.2025 RM'000	Current Period-to-date 31.07.2025 RM'000
Rental of offices paid to a director	25	51

A14. Capital Commitments

There were no other material capital commitments as at the end of the current financial quarter under review.

A15. Valuation of Property, Plant and Equipment

The Group has not carried out any valuation of its property, plant and equipment in the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER	
	Current Quarter 31.07.2025 RM'000	Corresponding Quarter 31.07.2024 RM'000	Variance		Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
			RM'000	%		
Revenue	1,748,840	303,710	1,445,130	475.8%	2,571,593	517,295
Profit before tax	27,034	8,393	18,641	222.1%	40,473	13,500

For the current financial quarter ended 31 July 2025, the Group recorded revenue of RM1,748.84 million, representing a significant increase of RM1,445.13 million or 475.8% compared to RM303.71 million in the corresponding financial quarter in the previous financial year. This substantial growth was primarily driven by the increase in the sale of ICT products segment, particularly through the commercial channel and online store channels.

Correspondingly, the Group's profit before tax for the current financial quarter ended 31 July 2025 rose to RM27.03 million, an increase of RM18.64 million or 222.1% from RM8.39 million in the corresponding financial quarter. However, the overall profit growth was partially offset by increased impairment losses on financial assets and higher selling and distribution expenses, mainly attributable to the elevated staff costs and commissions paid to third-party online marketplaces.

B2. Comparison with the Immediate Preceding Quarter's Result

	Current Quarter 31.07.2025 RM'000	Immediate Preceding Quarter 30.04.2025 RM'000	Variance	
			RM'000	%
Revenue	1,748,840	822,753	926,087	112.6
Profit before tax	27,034	13,439	13,595	101.2
Profit after tax	20,560	10,243	10,317	100.7



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. Comparison with the Immediate Preceding Quarter's Result (Cont'd)

For the current financial quarter ended 31 July 2025, the Group reported revenue of RM1,748.84 million, an increase of RM926.09 million or 112.6% compared to RM822.75 million in the immediate preceding financial quarter. The revenue growth was primarily driven by higher sales of ICT products through the commercial and online store channels.

Correspondingly, the Group's profit before tax rose to RM27.03 million for the current financial quarter, reflecting an increase of RM13.59 million or 101.2%, from RM13.44 million in the immediate preceding financial quarter. This improvement was primarily attributable to higher GP generated through the commercial channel. The increase was partially offset by higher impairment losses on financial assets amounting to RM22.78 million during the current financial quarter.

Consequently, the Group's profit after tax for the current financial quarter ended 31 July 2025 increased by RM10.32 million or 100.7%, from RM10.24 million to RM20.56 million, in comparison with the immediate preceding financial quarter.

B3. Group's Prospects

The ICT products and services industry is expected to maintain robust growth, driven by the increasing integration of ICT into daily life by both individuals and businesses for routine and operational activities. Key contributing factors include the regular device replacement cycle, continuous technology advancements, government-led digital transformation, and the incorporation of ICT to promote digital education in schools.

In response to the positive outlook, the Group plans to establish 10 new retail outlets across Malaysia to further expand its customer base. As part of this initiative, 2 new multi-brand concept stores were launched in Penang and Selangor in May and November 2024, respectively. Additionally, 3 new brand-specific stores were opened in Penang, with 1 in January and 2 in February 2025.

As businesses increasingly seek greater flexibility and control over the deployment of ICT products and services to better align with operational requirements, the shift away from large upfront capital investments is gaining momentum. In this context, the demand for Device-as-a-Service ("DaaS") subscriptions is expected to grow steadily over the long term. The Group remains focused on expanding its DaaS offerings to support both existing and prospective subscription agreements.

Looking ahead, the Group is firmly committed to innovation, with a strategic emphasis on adopting emerging technologies that align with its mission and values. The Group recognises the transformative potential of Artificial Intelligence ("AI") and anticipates that AI will play a pivotal role in its future success. As the technology landscape continues to evolve, the Group is prepared to adopt and thrive amid dynamic and diverse market demands.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Group's Prospects (Cont'd)

The Group offers AI-driven solutions aimed at enhancing operational efficiency and delivering personalised customer experiences. Through the integration of advanced AI technologies, the Group provides customised solutions that streamline workflows, optimise decision-making processes, and foster innovation. These solutions are designed to be both accessible and scalable, enabling organisations of all sizes to effectively navigate the digital landscape while supporting long-term, sustainable growth.

By making AI more accessible, comprehensible, and impactful, the Group actively promotes the broader adoption of AI technologies. This contributes to the development of a resilient, adaptable, and sustainable digital ecosystem, benefiting businesses across various sectors.

In line with its commitment to strengthen AI capabilities and support Malaysia's national AI transformation agenda, the Group has launched the SNS AI Factory—Malaysia's first locally hosted, fully-managed AI cloud infrastructure. Powered by 64 NVIDIA Hopper graphics processing units ("GPUs") across eight Dell PowerEdge XE9680 servers, and supported by NVIDIA Quantum-2 InfiniBand networking and NVIDIA AI Enterprise software, the SNS AI Factory is strategically located at Telekom Malaysia's KVDC facility in Cyberjaya.

The SNS AI Factory delivers GPU-as-a-Service ("GPUaaS"), providing enterprises, government agencies, and academic institutions with secure, high-performance, and scalable AI computing resources. The facility is purpose-built to accelerate AI adoption across industries by offering flexible subscription models, AI readiness assessments, and proof-of-concept ("POC") initiatives. Importantly, half of the AI Factory's computing capacity is allocated to commercial workloads, while the remaining half is dedicated to advancing Malaysia's AI ecosystem through structured training programs, bootcamps, and industry-led hackathons.

This strategic initiative not only expands access to cutting-edge AI infrastructure locally but also positions the Group at the forefront of AI innovation in Malaysia. It aligns with national objectives to drive technological progress, develop local talent, and promote responsible and ethical AI development.

Looking ahead, the Group remains optimistic about the outlook of the ICT industry, underpinned by the rapid advancement of AI technologies. This ongoing evolution is expected to fuel increased demand for ICT products and services, strengthen the Group's existing customer base, and support market share expansion by attracting new clientele.

B4. Variance of Profit Forecast

The Group did not issue any profit forecast for the current financial quarter.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B5. Income Tax Expense

The breakdown of income tax expense is as follows:

	Current Quarter 31.07.2025 RM'000	Current Period-to-date 31.07.2025 RM'000
Current taxation	6,474	9,670
	<u>6,474</u>	<u>9,670</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the fiscal year. Tax expense is recognised based on management's best estimate.

The effective tax rate of 23.89% for the current period-to-date was relatively consistent with the statutory tax rate.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6. Profit Before Tax

Profit from operations is derived after (charging)/crediting the following:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025 RM'000	Corresponding Quarter 31.07.2024 RM'000	Current Period-to-date 31.07.2025 RM'000	Corresponding Period-to-date 31.07.2024 RM'000
Income from operators arising from				
right-of-use assets	1,342	1,484	2,684	3,038
Rental income	61	41	83	67
Interest income from:				
Finance lease receivables	1,140	694	2,033	1,359
Long term trade receivable	22	45	57	88
Cash and bank balances	248	26	321	48
Refundable performance bond	-	200	-	308
Realised loss on foreign exchange	68	(3)	57	(24)
Unrealised (loss)/gain on foreign exchange	2,141	124	536	54
Write down in values of inventories				
to net realisable values	(430)	(334)	(820)	(215)
Auditor's remuneration	(61)	(73)	(121)	(127)
(Loss allowances)/reversal of loss allowances				
recognised in profit or loss	(22,777)	262	(22,738)	150
Bad debts written off	-	-	(86)	-
Depreciation of:				
Property, plant and equipment	710	572	1,395	1,093
Right-of-use assets	3,066	2,955	6,089	6,084

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from the IPO

The gross proceeds raised from the IPO of RM90.72 million are intended to be utilised in the following manner:

Utilisation of proceeds ⁽¹⁾	Proposed utilisation RM'000	Actual utilisation RM'000	Unutilised amount RM'000	Estimated timeframe for unutilisation	Revised timeframe for unutilisation
Capital expenditure					
- Expansion of DaaS subscription-based service	30,900	(23,765)	7,135	36 months	72 months
- Set-up new retail stores	2,500	(1,250)	1,250	36 months	72 months
Construction of Regional Hub	18,000	(1,220)	16,780	36 months	72 months
Marketing activities for JOI®	1,500	(451)	1,049	36 months	72 months
Repayment of bank borrowings	20,000	(20,000)	-	12 months	N/A
General working capital	13,119	(13,119)	-	24 months	N/A
Estimated listing expenses	4,700	(4,700)	-	Immediately	N/A
	<u>90,719</u>	<u>(64,505)</u>	<u>26,214⁽²⁾</u>		

Notes:

⁽¹⁾ The utilisation of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 27 July 2022.

⁽²⁾ On 25 June 2025, an announcement was issued to extend the time frame for the utilisation of the IPO proceeds allocated for working capital for additional 36 months up to 2 September 2028.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 July 2025 and 31 July 2024 are as follows:

	As at 31.07.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
<u>Non-current</u>		
<u>Secured</u>		
Commodity Murabahah term financing	17,015	5,497
Term loans	-	19
Hire purchase payables	353	464
	<u>17,368</u>	<u>5,980</u>
<u>Unsecured</u>		
Lease liabilities	4,552	5,107
Other financing	14,166	13,404
	<u>36,086</u>	<u>24,491</u>
<u>Current</u>		
<u>Secured</u>		
Bankers' acceptances	101,975	53,326
Commodity Murabahah term financing	3,397	714
Term loans	118	206
Hire purchase payables	269	326
	<u>105,759</u>	<u>54,572</u>
<u>Unsecured</u>		
Lease liabilities	9,171	10,324
Other financing	6,436	4,741
	<u>121,366</u>	<u>69,637</u>
Total borrowings	<u><u>157,452</u></u>	<u><u>94,128</u></u>

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation

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

B10. Dividend Proposed

Save as disclosed below, there were no other dividends declared or proposed during the current financial quarter under review.

On 25 June 2025, the Board of Directors approved a first interim single-tier dividend of 0.25 sen per ordinary share amounting to RM4,189,395 in respect of the financial year ending 31 January 2026, which were paid on 28 August 2025.

On 26 September 2025, the Board of Directors approved a second interim single-tier dividend of 0.25 sen per ordinary share amounting to RM4,189,395 in respect of financial year ending 31 January 2026, which to be payable on 26 November 2025.

B11. EPS

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025	Corresponding Quarter 31.07.2024	Current Period-to-date 31.07.2025	Corresponding Period-to-date 31.07.2024
Profit net of tax attributable to the equity holders of the Company (RM'000)	20,560	6,345	30,803	10,087
Weighted average number of ordinary shares in issue (basic) ('000)	1,675,758	1,612,780	1,675,758	1,612,780
Basic EPS ⁽¹⁾ (sen)	1.23	0.39	1.84	0.63

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. EPS (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.07.2025	Corresponding Quarter 31.07.2024	Current Period-to-date 31.07.2025	Corresponding Period-to-date 31.07.2024
Profit net of tax attributable to the equity holders of the Company (RM'000)	20,560	6,345	30,803	10,087
Weighted average number of ordinary shares in issue (basic) ('000)	1,675,758	1,612,780	1,675,758	1,612,780
Effect of dilutive potential ordinary share - ESOS ('000)	48,531	82,157	95,479	40,966
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,724,289	1,694,937	1,771,237	1,653,746
Diluted EPS ⁽²⁾ (sen)	1.19	0.37	1.74	0.61

Notes:

⁽¹⁾ Basic EPS is calculated by dividing profit after tax attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective current and preceding financial quarters and financial period-to-date under review.

⁽²⁾ The diluted EPS has been adjusted for the dilutive effects of the potential ordinary shares, i.e., share options granted to the eligible employees.

B12. Status of Corporate Proposals

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

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 26 September 2025.