



SNS NETWORK TECHNOLOGY BERHAD

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

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
30 APRIL 2025

SNS NETWORK TECHNOLOGY BERHAD

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 30.04.2025	Corresponding Quarter 30.04.2024	Current Period-to-date 30.04.2025	Corresponding Period-to-date 30.04.2024
	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
Revenue	822,753	213,585	822,753	213,585
Cost of sales	(787,669)	(193,710)	(787,669)	(193,710)
Gross profit	35,084	19,875	35,084	19,875
Other operating income	3,044	2,542	3,044	2,542
Other gains and losses	(1,344)	395	(1,344)	395
Investment revenue	46	172	46	172
Impairment gain on financial assets - net	39	262	39	262
Selling and distribution expenses	(15,458)	(11,256)	(15,458)	(11,256)
General and administrative expenses	(6,080)	(5,755)	(6,080)	(5,755)
Profit from operations	15,331	6,235	15,331	6,235
Finance costs	(1,892)	(1,128)	(1,892)	(1,128)
Profit before tax	13,439	5,107	13,439	5,107
Tax expenses	(3,196)	(1,365)	(3,196)	(1,365)
Profit and total comprehensive income for the financial period attributable to equity holders of the Group	10,243	3,742	10,243	3,742
Earning per share attributable to equity holders of the Group:				
Basic ⁽²⁾ (sen)	0.61	0.23	0.61	0.23
Diluted ⁽³⁾ (sen)	0.60	0.23	0.60	0.23



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Notes:

- (1) *The Unaudited Condensed 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 INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	As at 30.04.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	72,495	70,873
Right-of-use assets	14,106	15,120
Finance lease receivables	28,730	31,229
Trade receivables	3,125	3,241
Total non-current assets	118,456	120,463
Current assets		
Inventories	128,422	126,287
Trade and other receivables	396,434	207,805
Finance lease receivables	15,260	14,960
Current tax assets	2,244	2,494
Fixed deposits, cash and bank balances	208,616	88,397
Total current assets	750,976	439,943
TOTAL ASSETS	869,432	560,406
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	172,669	172,669
Capital reserve	(55,329)	(55,329)
Share-based payment reserve	131	131
Retained earnings	167,064	158,916
TOTAL EQUITY	284,535	276,387
Non-current liabilities		
Borrowings	33,314	19,384
Lease liabilities	4,653	5,107
Deferred tax liabilities	4,795	4,795
Total non-current liabilities	42,762	29,286

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾ (CONT'D)**

	As at 30.04.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
Current liabilities		
Trade and other payables	423,686	183,198
Contract liabilities	92	147
Dividends payable	2,095	-
Borrowings	103,657	59,313
Lease liabilities	9,794	10,324
Current tax liabilities	2,811	1,751
Total current liabilities	542,135	254,733
TOTAL LIABILITIES	584,897	284,019
TOTAL EQUITY AND LIABILITIES	869,432	560,406
Net assets per ordinary share attributable to Equity holders of SNS Group (RM)⁽²⁾	0.17	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 INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025

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	-	-	-	10,243	10,243
Dividends	-	-	-	(2,095)	(2,095)
Balance as of 30 April 2025	172,669	(55,329)	131	167,064	284,535
Balance as of 1 February 2024	151,420	(55,329)	2,783	144,779	243,653
Profit for the financial period	-	-	-	3,742	3,742
Dividends	-	-	-	(4,032)	(4,032)
Share-based payment relating to ESOS	-	-	46	-	46
Balance as of 30 April 2024	151,420	(55,329)	2,829	144,489	243,409

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 FIRST (1ST) QUARTER ENDED 30 APRIL 2025**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾**

	CUMULATIVE QUARTER	
	Current Period-to-date	Corresponding Period-to-date
	30.04.2025	30.04.2024
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	13,439	5,107
Adjustments for:		
Depreciation of right-of-use assets	3,023	3,129
Finance costs	1,892	1,128
Write down in values of inventories to net realisable values	390	334
Depreciation of property, plant and equipment	685	521
Reversal of loss allowances recognised in profit or loss	(39)	(262)
Bad debts written off	86	-
Interest income from finance lease receivables	(893)	(694)
Interest income from long term trade receivable	(35)	(45)
Investment revenue	(46)	(172)
Interest income from cash and bank balances	(73)	(26)
Interest income from refundable performance bond	-	(200)
Late payment charges to customers	(296)	(4)
Unrealised loss/(gain) on foreign exchange	1,605	(124)
Deposit written off	2	-
Share-based payment expenses	-	46
Operating profit before working capital changes	19,741	8,738
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	(2,525)	(15,359)
Trade and other receivables	(188,562)	(16,150)
Finance lease receivables	2,199	708
(Decrease)/Increase in:		
Trade and other payables	240,488	(21,613)
Contract liabilities	(55)	9
Cash from/(used in) operating activities	71,286	(43,667)

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

	CUMULATIVE QUARTER	
	Current Period-to-date 30.04.2025	Corresponding Period-to-date 30.04.2024
	RM'000	RM'000
Interests received	1,297	969
Finance costs paid	(296)	(100)
Income tax refunded	120	-
Income tax paid	(2,006)	(1,836)
Net cash from/(used in) operating activities	70,401	(44,634)
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	2	-
Interest received on fixed deposits	46	172
Purchase of property, plant and equipment	(2,310)	(807)
Placement of fixed deposits	(3,388)	(38)
Net cash used in investing activities	(5,650)	(673)
Cash flows from financing activities		
Drawdown of term loans and financing	15,000	-
Proceeds from bankers' acceptances - net	40,357	9,662
Proceeds from other financing	4,475	-
Repayment of lease liabilities	(2,993)	(3,172)
Repayment of term loans	(228)	(220)
Repayment of other financing	(1,244)	(973)
Finance costs paid	(1,596)	(1,028)
Repayment of hire-purchase payables	(86)	(111)
Net cash from financing activities	53,685	4,158
Net increase/(decrease) in cash and cash equivalents	118,436	(41,149)
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	(1,605)	124
Cash and cash equivalents at the end of the financial period	201,434	77,743

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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	Corresponding Period-to-date
	30.04.2025	30.04.2024
	RM'000	RM'000
CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	40,033	14,326
Income fund with a licensed financial institution (redeemable upon 1 day notice)	29,448	30,614
Cash and bank balances	139,135	35,547
	<hr/>	<hr/>
	208,616	80,487
Less:		
Fixed deposits pledged to licensed banks	(7,182)	(2,744)
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	201,434	77,743
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 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 effect 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

There was no dividend paid during the current financial quarter under review.

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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	Corresponding Quarter	Current Period-to-date	Corresponding Period-to-date
	30.04.2025	30.04.2024	30.04.2025	30.04.2024
	RM'000	RM'000	RM'000	RM'000
Sale of ICT products	820,484	211,424	820,484	211,424
Provision of device repair and related services, as well as sale of broadband services	2,269	2,161	2,269	2,161
	822,753	213,585	822,753	213,585

b) Revenue by Geographical Market:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter	Corresponding Quarter	Current Period-to-date	Corresponding Period-to-date
	30.04.2025	30.04.2024	30.04.2025	30.04.2024
	RM'000	RM'000	RM'000	RM'000
Malaysia	795,072	204,878	795,072	204,878
Overseas				
- Hong Kong	12,828	-	12,828	-
- Singapore	11,192	5,376	11,192	5,376
- Others ⁽¹⁾	3,661	3,331	3,661	3,331
	822,753	213,585	822,753	213,585

Note:

⁽¹⁾ Comprise mainly Indonesia, Maldives, Thailand and Vietnam.

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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 30.04.2025	Current Period-to-date 30.04.2025
	RM'000	RM'000
Rental of offices paid to a director	26	26

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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(Incorporated in Malaysia)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025****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	Corresponding Quarter	Variance	Current Period-to-date	Corresponding Period-to-date	
	30.04.2025 RM'000	30.04.2024 RM'000	RM'000	%	30.04.2025 RM'000	30.04.2024 RM'000
Revenue	822,753	213,585	609,168	285.2%	822,753	213,585
Profit before tax	13,439	5,107	8,332	163.1%	13,439	5,107

The Group's revenue for the current financial quarter ended 30 April 2025 increased by RM609.16 million or 285.2%, from RM213.59 million to RM822.75 million as compared with the corresponding financial quarter mainly due to increase in the sale of ICT products segment via commercial channel as well as online store channel.

Profit before tax of the Group for the current financial quarter ended 30 April 2025 increased by RM8.33 million or 163.1%, from RM5.11 million to RM13.44 million as compared with the corresponding financial quarter, mainly due to higher revenue recorded. The said increase was partially offset by higher selling and distribution expenses mainly attributable to the increase in staff costs and commissions paid to third-party online marketplaces.

B2. Comparison with the Immediate Preceding Quarter's Result

	Current Quarter	Immediate		
		Preceding	Variance	%
		30.04.2025	31.01.2025	
		RM'000	RM'000	RM'000
Revenue		822,753	251,512	571,241
Profit before tax		13,439	17,605	(4,166)
Profit after tax		10,243	10,020	223

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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)

The Group's revenue for the current financial quarter ended 30 April 2025 increased by RM571.24 million or 227.1% from RM251.51 million to RM822.75 million as compared with the immediate preceding financial quarter mainly due to increase in the sale of ICT products segment via commercial channel as well as online store channel.

Despite higher revenue recorded for the current financial quarter, the Group recorded a lower profit before tax for the current financial quarter, which was decreased by RM4.17 million or 23.7%, from RM17.61 million to RM13.44 million as compared with the immediate preceding financial quarter primarily due to the sales of certain ICT products which yielded lower gross profit margins in the current financial quarter.

Profit after tax of the Group for the current financial quarter ended 30 April 2025 increased by RM0.22 million or 2.2%, from RM10.02 million to RM10.24 million as compared with the immediate preceding financial quarter mainly due to adjustment for prior financial year deferred tax expenses recorded in the immediate preceding financial quarter.

B3. Group's Prospects

The ICT products and services industry is expected to be continuously driven by the wide usage of ICT in everyday lives by the public and businesses to perform daily and business activities, the replacement cycle of devices and continuous technology advancement, the implementation of initiatives by the Government for digital transformation, as well as the incorporation of ICT to promote digital education in schools. As such, the Group intends to set-up 10 new stores in Malaysia to increase the Group's customer base, which we have launched 2 new multi-brand concept stores located in Penang and Selangor each in May and November 2024, respectively as well as 1 new brand specific store in Penang in January 2025. During the current financial quarter, the Group had launched additional 2 new brand specific stores in Penang.

As businesses demand for more flexibility and control over the usage of ICT products and services according to their business and operational needs, reducing large upfront capital expenditure required for the purchase and deployment of hardware and software, the demand for DaaS subscription is expected to grow in the long term. The Group continues to prioritise and expand its DaaS offerings to support both existing and future subscription agreements.

Looking ahead, the Group remains committed to innovation remains steadfast, with a strong focus on adopting emerging technologies that align with the Group's mission and values. The Group believes in the coming years, Artificial Intelligence ("AI") will play a significant role in its success, the Group acknowledges that the future is dynamic and diverse in its technological 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 that enhance operational efficiency and deliver personalised customer experiences. By integrating advanced AI technologies, the Group provides tailored solutions that streamline processes, improve decision-making, and foster innovation, ensuring businesses can harness AI's full potential. The solutions are designed to be accessible and scalable, empowering companies of all sizes to thrive in the digital landscape, while contributing to long-term and sustainable growth.

By making AI accessible, understandable, and beneficial, the Group actively contributes to the broader adoption of AI technologies, supporting sustainable growth, adaptability, and resilience in a rapidly changing digital environment, benefiting businesses of all sizes.

To strengthen its AI capabilities and support Malaysia's AI transformation, the Group has launched the SNS AI Factory—Malaysia's first locally hosted, fully-managed AI cloud infrastructure service powered by 64 NVIDIA Hopper graphic processing units ("GPU") across eight Dell PowerEdge XE9680 servers with NVIDIA Quantum-2 InfiniBand networking and NVIDIA AI Enterprise software. Located at Telekom Malaysia's KVDC in Cyberjaya, the SNS AI Factory delivers GPU-as-a-Service ("GPUaaS"), offering high-performance, scalable, and secure AI computing to enterprises, government agencies, and academia.

The facility is designed to accelerate AI adoption across industries by offering flexible subscription models, AI readiness assessments, and proof-of-concept ("POC") programs. Half of the AI Factory's computing power is allocated to commercial workloads, while the remaining capacity is dedicated to developing Malaysia's AI ecosystem through training programs, bootcamps, and industry hackathons.

This strategic initiative not only enhances local access to cutting-edge AI infrastructure but also positions the Group at the forefront of AI innovation in Malaysia, supporting national aspirations for technological advancement, talent growth, and ethical AI development.

The Group remains optimistic with the ICT industry outlook, supported by the rapid development in AI technologies. This continuous growth is expected to drive stronger demand for ICT products, strengthen our existing customer base, and expanding the Group's market share by attracting new customers.

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	
	Current Quarter	Period-to-date
	30.04.2025	30.04.2025
	RM'000	RM'000
Current taxation	3,196	3,196
	<hr/>	<hr/>
	3,196	3,196
	<hr/>	<hr/>

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 23.78% for 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 30.04.2025	Corresponding Quarter 30.04.2024	Current Period-to-date 30.04.2025	Corresponding Period-to-date 30.04.2024
	RM'000	RM'000	RM'000	RM'000
Income from operators arising from right-of-use assets	1,342	1,484	1,342	1,484
Rental income	22	41	22	41
Interest income from:				
Finance lease receivables	893	694	893	694
Long term trade receivable	35	45	35	45
Cash and bank balances	73	26	73	26
Refundable performance bond	-	200	-	200
Realised loss on foreign exchange	(11)	(3)	(11)	(3)
Unrealised (loss)/gain on foreign exchange	(1,605)	124	(1,605)	124
Write down in values of inventories to net realisable values	(390)	(334)	(390)	(334)
Auditor's remuneration	(60)	(73)	(60)	(73)
Reversal of loss allowances recognised in profit or loss	39	262	39	262
Bad debts written off	(86)	-	(86)	-
Depreciation of:				
Property, plant and equipment	685	521	685	521
Right-of-use assets	3,023	3,129	3,023	3,129

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SNS NETWORK TECHNOLOGY BERHAD

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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
Capital expenditure				
- Expansion of DaaS subscription-based service	30,900	(23,765)	7,135	36 months
- Set-up new retail stores	2,500	(1,250)	1,250	36 months
Construction of Regional Hub	18,000	(1,220)	16,780	36 months
Marketing activities for JOI [®]	1,500	(451)	1,049	36 months
Repayment of bank borrowings	20,000	(20,000)	-	12 months
General working capital	13,119	(13,119)	-	24 months
Estimated listing expenses	4,700	(4,700)	-	Immediately
	<hr/> 90,719	<hr/> (64,505)	<hr/> 26,214	

Note:

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

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 30 April 2025 and 30 April 2024 are as follows:

	As at 30.04.2025 RM'000 Unaudited	As at 31.01.2025 RM'000 Audited
<u>Non-current</u>		
<u>Secured</u>		
Commodity Murabahah term financing	17,648	5,497
Term loans	-	19
Hire purchase payables	391	464
	<hr/>	<hr/>
	18,039	5,980
<u>Unsecured</u>		
Lease liabilities	4,653	5,107
Other financing	15,275	13,404
	<hr/>	<hr/>
	37,967	24,491
<u>Current</u>		
<u>Secured</u>		
Bankers' acceptances	93,683	53,326
Commodity Murabahah term financing	3,388	714
Term loans	172	206
Hire purchase payables	313	326
	<hr/>	<hr/>
	97,556	54,572
<u>Unsecured</u>		
Lease liabilities	9,794	10,324
Other financing	6,101	4,741
	<hr/>	<hr/>
	113,451	69,637
Total borrowings	<hr/>	<hr/>
	151,418	94,128

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025

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

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

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 financial year ended 31 January 2025, which to be payable on 26 May 2025.

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 financial year ending 31 January 2026, which to be payable on 28 August 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 30.04.2025	Corresponding Quarter 30.04.2024	Current Period-to-date 30.04.2025	Corresponding Period-to-date 30.04.2024
Profit net of tax attributable to the equity holders of the Company ('RM'000)	10,243	3,742	10,243	3,742
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)	0.61	0.23	0.61	0.23

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 APRIL 2025

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	Corresponding Quarter	Current Period-to-date	Corresponding Period-to-date
	30.04.2025	30.04.2024	30.04.2025	30.04.2024
Profit net of tax attributable to the equity holders of the Company ('RM'000)	10,243	3,742	10,243	3,742
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)	42,985	23,375	42,985	5,764
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,718,743	1,636,155	1,718,743	1,618,544
Diluted EPS ⁽²⁾ (sen)	0.60	0.23	0.60	0.23

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 25 June 2025.