



IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)
Registration No: 201801039812 (1301843-D)

**ADDITIONAL INFORMATION ACCOMPANYING THE AUDITED
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
30 JUNE 2023**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD
("BURSA SECURITIES")**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET AND MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY US. SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN US AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

PART A: ADDITIONAL INFORMATION REQUIRED UNDER PART B OF APPENDIX 6A OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
1. ANALYSIS OF FINANCIAL PERFORMANCE
(i) Revenue

IDB Technologies Berhad and its solitary subsidiary's ("**Group**") revenue based on business activities for the financial year ended ("**FYE**") 30 June 2023 and 2022 is presented as follows:

	Audited FYE	
	30 June 2023	30 June 2022
	RM'000	RM'000
Proprietary software	4,527	3,206
Hardware	834	366
Other services and solutions	1,245	678
Total	6,606	4,250

Our Group's revenue based on geographical location for the FYE 30 June 2023 and 2022 is presented as follows:

	Audited FYE	
	30 June 2023	30 June 2022
	RM'000	RM'000
Malaysia		
- Klang Valley	2,844	1,262
- Kedah	434	555
- Pahang	542	519
- Penang	612	438
- Sabah	425	364
- Others	1,328	932
	6,185	4,070
Overseas		
- Cambodia	272	46
- Singapore	115	134
- Indonesia	34	-
	421	180
Total	6,606	4,250

The Group recorded a revenue of approximately RM6.61 million for FYE 30 June 2023, as compared to approximately RM4.25 million in the previous financial year, representing an increase of approximately RM2.36 million or 55.53%. Our revenue is mainly derived from sales of proprietary software amounting to RM4.53 million or 69.29% of the total revenue of RM6.61 million.

(ii) Gross profit ("**GP**") and GP margin

	Audited FYE	
	30 June 2023	30 June 2022
GP (RM'000)	3,724	2,209
GP Margin (%)	56.37	51.98

The Group recorded higher GP of approximately RM3.72 million in FYE 30 June 2023 compared to GP of approximately RM2.21 million in FYE 30 June 2022, representing an increase of approximately RM1.51 million or 68.33%. This is mainly due to higher revenue generated from proprietary software.

(iii) Profit after taxation ("**PAT**") and PAT margin

	Audited FYE	
	30 June 2023	30 June 2022
PAT (RM'000)	1,335	817
PAT Margin (%)	20.21	19.22

The Group recorded higher PAT for FYE 30 June 2023 of approximately RM1.34 million as compared approximately RM0.82 million recorded for FYE 30 June 2021, representing an increase of RM0.52 million or 63.41% which is line with higher revenue generated.

2. PROSPECT

Our Group intends to increase our presence in the international market, particularly Indonesia, Cambodia and Vietnam. We have appointed resellers with operations in Indonesia, and are in the process of finalising a reseller agreement with a Vietnam reseller. Our Group is in active discussion with these identified companies who will be our resellers and will sell our products in their respective countries.

Our Group will also continue to execute the following business plans and strategies to expand our market reach and enhance market competitiveness:

- (i) Continuous development of new solutions, enhancement of existing solutions and product improvement to cater the needs of existing and new customers including overseas hospitality industry requirements;
- (ii) Participation in both local and overseas business events and exhibitions to promote our system and create brand awareness; and
- (iii) To explore opportunities of selling our proprietary software to potential customers who are not in the hospitality industry.

The Board is of the opinion that, barring any unforeseen circumstances, the prospects of the Group's financial performance for the financial year ending 30 June 2024 will remain favourable.

PART B: OTHER INFORMATION

1. STATUS OF CORPORATE PROPOSALS

No corporate proposal was announced or pending completion as at the date of this report.

2. UTILISATION OF PROCEEDS

The status of the utilisation of proceeds from the subscription of IDB shares by pre-IPO investors of RM3.50 million is as follows:

Details of utilisation	Proposed Utilisation RM'000	Actual utilisation⁽¹⁾ RM'000	Balance RM'000	Estimated timeframe for utilisation upon listing
Technology research and development	720	375	345	Within 48 months
Expansion expenses	1,000	404	596	Within 48 months
Working capital	980	980	-	Utilised
Estimated listing expenses	800	800	-	Utilised
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	3,500	2,559	941	
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Note:

(1) *Status of utilisation as at 30 June 2023.*

In the event that the actual amounts vary from the above estimates, the excess or deficit, as the case may be, would be reallocated to/from the amount earmarked for working capital.

C3. MATERIAL LITIGATION

There are no material litigations pending as at the date of this report.

C4. DIVIDEND

On 7 April 2023, the Board declared a second interim dividend of 0.1 sen per share amounting to RM500,000 in respect of the financial year ending 30 June 2023, which was paid on 28 April 2023.