

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENT

B.1 PERFORMANCE REVIEW

The Group's revenue is mainly derived from the sale of proprietary software customised for our customers, providing managed services and other related services.

	Group			
	Audited		Audited	
	30.6.2024		30.6.2023	
	RM	%	RM	%
Rendering of services ^(a)	11,162,417	89.85	11,470,637	94.69
Sales of goods ^(b)	1,261,240	10.15	643,731	5.31
Total	12,423,657	100.0	12,114,368	100.0

(a) Rendering of services

The following table sets out the breakdown and analysis of our Group's revenue from the rendering of services:

	Group			
	Audited		Audited	
	01.07.2023 to 30.6.2024		01.07.2022 to 30.6.2023	
	RM	%	RM	%
Proprietary software ⁽ⁱ⁾	5,289,947	47.39	5,853,679	51.03
Managed services ⁽ⁱⁱ⁾	5,190,642	46.50	4,752,391	41.43
Consultancy Services ⁽ⁱⁱⁱ⁾	681,828	6.11	864,567	7.54
Total	11,162,417	100.0	11,470,637	100.0

Notes:

- (i) Revenue from our Proprietary Software segment namely, PrecentiaLife, PrecentiaTakaful, PrecentiaCMS, and PrecentiaGroup are derived from the sale, implementation and/or maintenance of these products. Sale and implementation of our Proprietary Software is undertaken on a project basis whereas maintenance contracts are mainly renewable annually.
- (ii) The Revenue from Managed Services segment are commissions received from the revenue sharing contracts with our customers for the use of PrecentiaLife Agency and monthly subscription fee model with our customers for the use of PrecentiaLife Cloud.
- (iii) Revenue from Consultancy Services comprises fees from consulting services rendered to our customers.

(b) Sales of goods

Sales of goods comprise revenue from the maintenance of customers' third-party software other than the Group's Proprietary Software.

Revenue by geographical areas

The following table sets out the breakdown and analysis of our Group's revenue by geographical areas:

	Audited		Audited	
	30.6.2024		30.6.2023	
	RM	%	RM	%
Malaysia	5,187,147	41.75	5,160,146	42.60
Indonesia	6,466,549	52.05	6,194,308	51.13
Philippines	216,890	1.75	111,573	0.92
Hong Kong	103,500	0.83	120,500	0.99
Thailand	449,571	3.62	527,841	4.36
Total	12,423,657	100.0	12,114,368	100.0

FYE 30 June 2024 vs FYE 30 June 2023

The Group's revenue increased by RM309,289 or 2.55% from RM12,114,368 for FYE 30 June 2023 to RM12,423,657 for FYE 30 June 2024. The increase in revenue was mainly due to an increase in revenue from managed services and software components under the other revenue segment.

The Group's GP margin decreased from 71.86% for FYE 30 June 2023 to 64.84% for FYE 30 June 2024 and the Group's PBT decreased by RM1,074,275 or 29.02% to RM2,628,099 for FYE 30 June 2024 from RM RM3,702,374 for the FYE 30 June 2023. The decline is primarily due to delays in one of the projects, which did not generate revenue while staff costs continued to be incurred for ongoing development and support efforts.

B.2 PROSPECTS

Our Group's Takaful core system re-platform project, which involves migrating the existing core system (PrecentiaTakaful) from the IBM platform to an open-source, cloud-ready platform for one of our Takaful clients in Malaysia, has entered the UAT stage in September 2024, with a target go-live date in January 2025.

Our Group's comprehensive Group Life Insurance Core System (PrecentiaGroup), which was built on a microservices platform for our Japanese insurance client in Indonesia, successfully went live on 12 September 2024, marking yet another significant milestone for our Group.

Our Indonesian Partner, PT Higea Medika Insura Solusi ("**HigeaInd**"), is aggressively marketing the digital medical claim services to local insurers. The solution will provide seamless connectivity to more than 2,000 existing healthcare service providers (e.g., hospitals and clinics)

and the insurer, allowing the auto-issuance of guarantee letters for hospital admissions, faster claims processing, and payment of medical bills.

The beta version of our AI-driven early claim prediction system will be made available to our Takaful clients in Malaysia at no cost, for a trial period to be mutually agreed upon, in order to test its accuracy.

B.3 VARIANCE OF ACTUAL PROFIT FROM FORECAST AND PROFIT GUARANTEE

The Company has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

C. OTHER INFORMATION

C.1 STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but pending completion as at the date of this report.

C.2 UTILISATION OF PROCEEDS

January 2022 Placement (as defined below)

As at the date of this announcement, the status of utilisation of proceeds raised of RM9,000,000 from the issuance of 36,000,000 new ordinary shares pursuant to a private placement to sophisticated investors at an issue price of RM0.25 each (the “**January 2022 Placement**”), is as follows:

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Unutilised proceeds (RM'000)	⁽²⁾Estimated timeframe for utilisation upon listing
Investments in cloud-based microservices	3,500	2,684	⁽¹⁾ 816	Within 36 months
Solutions for digital insurance	3,500	2,806	⁽¹⁾ 694	Within 36 months
Working capital requirements	1,930	1,399	531	Within 48 months
Expenses for the January 2022 Placement	70	70	-	N/A
Total	9,000	6,959	2,041	

Note:

- (1) As disclosed in the Company’s announcements dated 7 January 2022 and 25 January 2022, should there be any unutilised amount from these categories, the earmarked funds will be reallocated to be utilised for the working capital requirements of the Group.

- (2) Taking into account the extension of time to the utilisation of proceeds as set out in the Company's announcement dated 8 February 2024. The estimated timeframe is calculated from the date of listing of the placement shares, being 7 February 2022.

C.3 DIVIDEND

A first single-tier interim dividend for the financial year ending 30 June 2024 of RM0.006 per ordinary share was declared on 22 August 2023 and paid on 8 September 2023.

A second-tier interim dividend of RM0.007 per ordinary share has been declared on 20 August 2024 and paid on 9 September 2024.

C.4 MATERIAL LITIGATION

The Board is not aware of any proceedings or material litigations pending or threatened against the Group as at the date of this report.