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Press Release

For Immediate Distribution

VSTECS DELIVERS ANOTHER STELLAR QUARTER AS 2Q FY2026 NET PROFIT JUMPS 50% YOY TO RM30.3 MILLION

KUALA LUMPUR, 12 AUGUST 2026 - VSTECS Berhad (“**VSTECS”, 偉仕佳杰, Stock Code: 5162**), Malaysia’s leading Information & Communications Technology (“**ICT**”) distributor, delivered another outstanding quarter of growth, recording net profit of RM30.3 million for the second quarter ended 30 June 2026 ("**2Q FY2026**"), representing a 50% year-on-year (“**YoY**”) increase, underpinned by strength across all business segments.

For 2Q FY2026, the Group maintained its strong momentum by delivering RM1.08 billion in quarterly revenue, surpassing the RM1.0 billion mark for the third consecutive quarter. The performance reflects sustained demand across its enterprise, consumer and services businesses. All three operating segments registered double-digit YoY revenue growth during the quarter, reinforcing the importance of the Group's comprehensive ICT portfolio as technology becomes increasingly integral to businesses and everyday life.

The **Enterprise Systems ("ES")** segment was the key growth driver in 2Q FY2026, with revenue surging 46% YoY to RM567.0 million, supported by a higher number of public sector projects compared to the corresponding quarter last year. The segment now accounts for 53% of Group revenue. The **ICT Distribution** segment also delivered strong performance, with revenue increasing 20% YoY as shipment volumes remained healthy. The continued strength reflects the increasingly essential role of digital devices in consumers' daily lives. Meanwhile, the **ICT Services** segment recorded a 14% YoY revenue growth, supported by higher enterprise project activities and continued expansion of cloud services.

For the six months ended 30 June 2026 ("**1H FY2026**"), the Group recorded revenue of RM2.13 billion, representing a 41% increase from the corresponding period last year, while net profit correspondingly rose 40% YoY to RM53.2 million. Again, all business segments achieved double-digit growth in 1H FY2026.

Commenting on the robust performance, Chief Executive Officer of VSTECS, **Mr. JH Soong <宋昭雄>** said: “We are pleased to deliver another quarter of strong growth across all our business segments despite facing several external headwinds in recent months. The global ICT industry continues to experience shortages of CPUs and memory chips, resulting in higher component costs and longer lead times, and this is expected to persist over the short to medium term.

Within our ICT Distribution business, which focuses on consumer devices and peripherals, demand has remained resilient despite price increases as digital devices have become indispensable for work, education and modern lifestyle.

Price inflation has been more pronounced in the enterprise market, where server and storage system prices have more than doubled. While some projects have been delayed, organisations pursuing digital transformation, AI adoption and cybersecurity initiatives are unlikely to defer critical infrastructure investments. We continue to manage longer lead times and price fluctuations through close communication with our customers and technology principals.

Our ICT Services business continues to provide stability through recurring cloud subscription revenue while benefiting from the increasing demand for value-added services. As more enterprises migrate their workloads to the cloud and modernise their IT environments, we expect this segment to remain an increasingly important contributor to the Group's long-term earnings quality.

Looking further ahead, we remain optimistic. Although current supply constraints and pricing pressures are expected to persist in the near term, we believe these are temporary challenges and that the long-term growth outlook for the ICT industry remains compelling. Backed by a strong balance sheet, disciplined execution, robust internal operating systems and an entrenched position within the technology ecosystem, we are confident in our ability to navigate these near-term challenges effectively while continuing to capture the growth opportunities presented by Malaysia's digital economy."

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ABOUT VSTECS BERHAD

VSTECS Berhad ("VSTECS") and its subsidiaries are a leading distribution hub for Information & Communications Technology ("ICT") products, enterprise systems and provides ICT support and technical services in Malaysia. Listed on the Main Market of Bursa Malaysia Securities Berhad, VSTECS is an associate company of VSTECS Holdings (Singapore) Limited, which is in turn held by VSTECS Holdings Limited, a company listed on the Hong Kong Stock Exchange.

VSTECS distributes a comprehensive range of ICT products with over 40 leading principals and a nationwide channel network of more than 4,000 resellers comprising retailers, system integrators and corporate dealers. For more information, please visit www.vstecs.com.my.

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