

31ST ANNUAL GENERAL MEETING

WEDNESDAY, 24 SEPTEMBER 2025



QUESTIONS FROM



MINORITY SHAREHOLDERS WATCH GROUP
BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia . Registration No. 200001022382 (524989-M))

Minority Shareholders Watch Group (MSWG) - 1

Operational & Financial Matters:

Question 1:

Moving forward, IRIS is well-positioned to sustain its revenue stream through ongoing Trusted ID projects across the Africa and Asia regions. (page 6 of AR 2025)

- (a) What is the Group's current outstanding orderbook for the Trusted ID Division? Please provide the breakdown by region.
- (b) How much of this orderbook is expected to be recognised in FY2026?
- (c) What are the key risks that could lead to delays or cancellations in the current orderbook?

Answer:

The current outstanding orderbook as of March 2025 is approximately RM1.7 billion, mainly from Africa region. We expected to recognise around RM200 million in FY2026. The key risks that could lead to delays or cancellations in the current orderbook are political or supply chain disruption risks.

Minority Shareholders Watch Group (MSWG) - 2

Operational & Financial Matters:

Question 2:

The Group's revenue declined 23% year-on-year to RM63 million in the first quarter of FY2026, mainly attributable to lower delivery of ePassports and eID cards.

- (a) What were the reasons for the lower delivery of ePassports and eID cards?
- (b) Is the decline in ePassport and eID deliveries expected to be temporary or indicative of a longer-term trend?
- (c) Are there strategic plans to expand into non-governmental digital identity or security solutions?

Answer:

The lower delivery is mainly due to the higher demand in the previous quarter. The decline in deliveries is temporary. We will explore any available opportunities to expand into non-governmental digital identity or security solutions when it arise.

Minority Shareholders Watch Group (MSWG) - 3

Corporate Governance Matters:

Question 3:

The Group's revenue fell 40% and profit after tax declined 25% in FY2025. Yet, the remuneration of Executive Directors increased significantly; Dr. Poh Soon Sim by 18% to RM1.75 million and Mr. H'ng Boon Harng by 14% to RM1.11 million. Could the Board explain the rationale for these increases, particularly in light of the Group's weaker financial performance.

Answer:

Part of the remuneration was based on FY2024 financial performance which was paid in FY2025. The Group's Profit After Tax for FY2024 was 47% higher than FY2023's Profit After Tax.

Minority Shareholders Watch Group (MSWG) - 4

Sustainability Matters:

Question 4:

Under Resolution 5, the Company is seeking approval for directors' fees and allowances of up to RM950,000. Given that the actual directors' fees and allowances paid in FY2025 was RM749,400, can the Board explain why the remuneration cap of RM950,000 is being maintained at the same level as in FY2024? Is it driven by plans to recruit additional directors or to increase fees in FY2026?

Answer:

Yes, the remuneration cap of RM950,000 is driven by plans to recruit additional directors.

Minority Shareholders Watch Group (MSWG) - 5

Sustainability Matters:

Question 5:

In FY2025, total energy consumption is reported as 5.16 million kWh, reflecting a 19.2% reduction from FY2024 (page 26 of AR 2025). However, on page 35, the Group states that energy consumption decreased by 17.3%.

- (a) Please clarify the discrepancy between the two reported figures.
- (b) What specific initiatives or operational measures contributed to this notable reduction in energy consumption?

Answer:

The discrepancy was due to different method of calculation. The notable reduction in energy consumption were due to lower production and usage of solar energy. The purchase of a new compressor with inverter in August 2024, also contributed to reduction in energy consumption.

THANK YOU



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