REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

REPORTS AND FINANCIAL STATEMENTS

OTHER INFORMATION

ANNUAL GENERAL MEETING

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group for the financial year ended 31 March 2026, and of the Company for the financial period from 10 April 2025 (date of incorporation) to 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries include technology consulting and the implementation of trusted identification, payment, transportation and sustainable development, provision of trusted identification related products, services, maintenance and business solution and consulting.

There have been no significant changes in the nature of the principal activities during the financial year/period.

RESULTS

	Group RM'000	Company RM'000
(Loss)/Profit for the financial year/period, net of tax	(3,652)	59,743
Attributable to:		
Owners of the Company	(3,618)	59,743
Non-controlling interests	(34)	-
	(3,652)	59,743

DIVIDENDS

No dividend has been paid or declared by the Company since the date of incorporation. The Group paid dividends amounting to RM4.078 million during the financial period prior to completion of the internal reorganisation as disclosed in Note 25 to the financial statements.

At the forthcoming Annual General Meeting, a final single-tier dividend of 0.50 sen per ordinary share in respect of the current financial period, will be proposed for the shareholders' approval. The financial statements for the current financial period do not reflect this proposed dividend. Such dividend, if approved by the shareholders., will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year/period other than those disclosed in the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business, including their values as shown in the accounting records of the Group and of the Company, had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingencies are disclosed in Note 27 to the financial statements.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year/period which secures the liabilities of any other person; and

(ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year/period.

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year/period which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

(i) the results of the operations of the Group and of the Company for the financial year/period were not substantially affected by any item, transaction or event of a material and unusual nature, other than the effects of the Internal Reorganisation, as disclosed in Note 9(b) and Note 32(a) to the financial statements; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year/period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year/period in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year/period were RM463,216 and RM115,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

The Company was incorporated with issued and fully paid-up share capital of RM2 comprising 2 shares at a price of RM1 per ordinary share.

During the financial period, the Company issued 815,727,624 ordinary shares in exchange of 815,727,624 ordinary shares in IRIS Corporation Berhad ("ICB") pursuant to the internal reorganisation by way of Members' Scheme of Arrangement under Section 366 of the Companies Act 2016 in Malaysia as detailed in Note 32(a) to the financial statements.

The new ordinary shares issued during the financial period ranked pari passu in all respects with the existing ordinary shares of the Company.

During the financial period, no new issue of debenture was made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial period.

DIRECTORS

The directors in office since the date of incorporation to the date of this report are:

Dr. Poh Soon Sim	(Appointed on 29 December 2025)
Dato' Dr. Abu Talib Bin Bachik	(Appointed on 29 December 2025)
Dato' Mohamed Khadar Bin Merican	(Appointed on 29 December 2025)
Dato' Ng Wan Peng	(Appointed on 29 December 2025)
Ling Hee Keat	(Appointed on 29 December 2025)
Haji Hussein Bin Ismail	(Appointed on 29 December 2025)
H'ng Boon Harng *	(Appointed on 29 December 2025)
Dato' Poh Yang Hong *	(Appointed on 7 January 2026)
Lim Yau Hui	(First Director; Resigned on 29 December 2025)
Ng Poh Meng	(First Director; Resigned on 29 December 2025)

* *Directors of the Company and certain subsidiaries*

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial period and during the period from the end of the financial period to the date of this report are:

Chia Jen Wen
Siti Doreen Dazila Binti Syed Alias

DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial period in shares in the Company and its related corporations during the financial period were as follows:

	Number of ordinary shares				
	At date of incorporation/ 10.4.2025	Bought	Shares exchange^	Sold	At 31.3.2026
Direct interests:					
Dr. Poh Soon Sim	-	230,400	18,844,600	(17,200,000)	**1,875,000**
Ling Hee Keat	-	-	27,700,000	-	**27,700,000**
Dato' Poh Yang Hong	-	18,510,000	250,000	-	**18,760,000**
H'ng Boon Harng	-	-	250,000	-	**250,000**
Indirect interests:					
Dr. Poh Soon Sim *	-	-	87,622,550	(86,322,550)	**1,300,000**
Dato' Poh Yang Hong #	-	86,322,550	-	-	**86,322,550**

^ *On 7 January 2026, ICB transferred the listing status to the Company ("IRIS") under the Internal Reorganisation. As part of the Internal Reorganisation, the share exchange involves the exchange of the existing ICB shares for the Company's shares on the basis of 1 IRIS share for every 1 existing ICB share by way of Members' Scheme of Arrangement pursuant to Section 366 of the Companies Act 2016 in Malaysia. As a result of the share exchange, ICB became a wholly owned subsidiary of the Company.*

* *Deemed interests pursuant to Section 8 of the Companies Act 2016 in Malaysia via Poh Associates Sdn. Bhd. and by virtue of his son's direct shareholdings under Section 59 of the Companies Act 2016 in Malaysia.*

\# *Deemed interests pursuant to Section 8 of the Companies Act 2016 in Malaysia via Orientalgold Equity Sdn. Bhd.*

Other than as stated above, none of the other directors in office at the end of the financial period had any interest in ordinary shares of the Company and its related corporations during the financial period.

DIRECTORS' BENEFITS

Since the date of incorporation, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than any deemed benefit which arise from transactions as disclosed in Note 28 to the financial statements.

DIRECTORS' BENEFITS (CONT'D)

The directors' benefits of the Group and of the Company during the financial year/period are as follows:

	Group RM'000	Company RM'000
Director of the Group		
Directors' fees	742	209
Directors' meeting allowances	81	20
Directors' remuneration:		
- salaries and other remuneration	2,263	-
- defined contribution plans and SOCSO	129	-
- estimated money value of benefits-in-kind	56	-
	3,271	229

Neither during, nor at the end of the financial period, was the Company a party to any arrangements where the object was to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage and insurance premium paid for the directors and certain officers of the Group were RM5,000,000 and RM117,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 9 to the financial statements.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD

The details of significant events during the financial year/period are disclosed in Note 32 to the financial statements.

DIRECTORS' REPORT

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

DATO' POH YANG HONG
Director

H'NG BOON HARNG
Director

Date: 27 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	Group		Company
		2026 RM'000	2025 RM'000 (Unaudited)^ (Note 33)	2026 RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	5	**73,198**	76,439	**-**
Intangible assets	7	**88,000**	88,000	**-**
Operating financial assets	8	**2,354**	3,952	**-**
Investment in subsidiaries	9	**-**	-	**254,403**
Investment in associates	10	**682**	662	**-**
Total non-current assets		**164,234**	169,053	**254,403**
Current assets				
Inventories	11	**23,970**	16,749	**-**
Operating financial assets	8	**1,598**	1,485	**-**
Trade and other receivables	12	**62,055**	100,968	**90**
Prepayments		**579**	1,109	**19**
Contract assets	13	**150,531**	146,510	**-**
Current tax assets		**2,086**	674	**-**
Cash and short-term deposits	14	**181,970**	165,862	**59,994**
Total current assets		**422,789**	433,357	**60,103**
TOTAL ASSETS		**587,023**	602,410	**314,506**

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000 (Unaudited)^ (Note 33)	Company 2026 RM'000
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	15	**254,403**	180,759	**254,403**
Other reserves	16	**(45,988)**	28,739	**-**
Retained earnings		**171,086**	177,801	**59,743**
		379,501	387,299	**314,146**
Non-controlling interests		**(1,740)**	(1,706)	**-**
TOTAL EQUITY		**377,761**	385,593	**314,146**
Non-current liabilities				
Deferred tax liabilities	17	**10,805**	10,406	**-**
Total non-current liabilities		**10,805**	10,406	**-**
Current liabilities				
Loans and borrowings	18	**977**	1,763	**-**
Current tax liabilities		**310**	4,382	**74**
Trade and other payables	19	**192,468**	199,162	**286**
Lease liabilities	6(b)	**-**	79	**-**
Contract liabilities	13	**4,702**	1,025	**-**
Total current liabilities		**198,457**	206,411	**360**
TOTAL LIABILITIES		**209,262**	216,817	**360**
TOTAL EQUITY AND LIABILITIES		**587,023**	602,410	**314,506**

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

	Note	Group		Company
		1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000 (Unaudited)^ (Note 33)	10.4.2025 to 31.3.2026 RM'000
Revenue	20	**167,662**	221,001	**60,000**
Cost of sales		**(114,835)**	(146,603)	**-**
Gross profit		**52,827**	74,398	**60,000**
Other income		**5,553**	15,153	**311**
Administrative expenses		**(28,435)**	(32,435)	**(494)**
Net (impairment losses)/reversal of impairment losses on financial instruments		**(4,838)**	145	**-**
Other expenses		**(23,147)**	(24,098)	**-**
Operating profit		**1,960**	33,163	**59,817**
Finance costs	21	**(319)**	(300)	**-**
Share of results of associates, net of tax		**20**	(49)	**-**
Share of results of joint venture, net of tax		**-**	553	**-**
Profit before tax	22	**1,661**	33,367	**59,817**
Income tax expense	23	**(5,313)**	(9,458)	**(74)**
(Loss)/Profit for the financial year/period		**(3,652)**	23,909	**59,743**
Other comprehensive (loss)/income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		**(102)**	(77)	**-**
Items that will not be reclassified subsequently to profit or loss				
Revaluation gain on property, plant and equipment		**-**	526	**-**
Other comprehensive (loss)/income for the financial year/period		**(102)**	449	**-**
Total comprehensive (loss)/income for the financial year/period		**(3,754)**	24,358	**59,743**

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

	Note	Group		Company
		1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000 (Unaudited)^ (Note 33)	10.4.2025 to 31.3.2026 RM'000
(Loss)/Profit attributable to:				
Owners of the Company		**(3,618)**	23,752	**59,743**
Non-controlling interests		**(34)**	157	**-**
		(3,652)	23,909	**59,743**
Total comprehensive (loss)/income attributable to:				
Owners of the Company		**(3,720)**	24,201	**59,743**
Non-controlling interests		**(34)**	157	**-**
		(3,754)	24,358	**59,743**
(Loss)/Earnings per share attributable to owners of the Company (sen per share)				
Basic	24(a)	**(0.44)**	2.91	
Diluted	24(b)	**(0.44)**	2.91	

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

Group	Note	Attributable to the owners of the Company						Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Foreign currency translation reserve RM'000	Revaluation reserve RM'000	Reorganisation deficit RM'000	Retained earnings RM'000	Sub-total RM'000		
At 1 April 2025 (Unaudited)^		**180,759**	**(50)**	**28,789**	**-**	**177,801**	**387,299**	**(1,706)**	**385,593**
Total comprehensive loss for the financial year									
Loss for the financial year		-	-	-	-	(3,618)	(3,618)	(34)	(3,652)
Other comprehensive loss for the financial year		-	(102)	-	-	-	(102)	-	(102)
Total comprehensive loss		**-**	**(102)**	**-**	**-**	**(3,618)**	**(3,720)**	**(34)**	**(3,754)**
Transactions with owners									
Shares issued upon incorporation	15	-*	-	-	-	-	-	-	-
Issuance of shares pursuant to internal reorganisation	16(c)	73,644	-	-	(73,644)	-	-	-	-
Dividend paid	25	-	-	-	-	(4,078)	(4,078)	-	(4,078)
Total transactions with owners		**73,644**	**-**	**-**	**(73,644)**	**(4,078)**	**(4,078)**	**-**	**(4,078)**
Realisation of revaluation reserve	16(b)	-	-	(981)	-	981	-	-	-
At 31 March 2026		**254,403**	**(152)**	**27,808**	**(73,644)**	**171,086**	**379,501**	**(1,740)**	**377,761**

* *Represent amount less than RM1,000*

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

Group	Note	Attributable to the owners of the Company					Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Foreign currency translation reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Sub-total RM'000		
At 1 April 2024 (Unaudited)^		180,759	27	29,226	169,400	379,412	(1,863)	377,549
Total comprehensive income/(loss) for the financial year								
Profit for the financial year		-	-	-	23,752	23,752	157	23,909
Other comprehensive (loss)/income for the financial year		-	(77)	526	-	449	-	449
Total comprehensive income/(loss)		-	(77)	526	23,752	24,201	157	24,358
Transactions with owners								
Dividend paid	25	-	-	-	(16,314)	(16,314)	-	(16,314)
Total transactions with owners		-	-	-	(16,314)	(16,314)	-	(16,314)
Realisation of revaluation reserve	16(b)	-	-	(963)	963	-	-	-
At 31 March 2025 (Unaudited)^		180,759	(50)	28,789	177,801	387,299	(1,706)	385,593

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

Company	Note	Attributable to the owners of the Company		
		Share capital RM'000	Retained earnings RM'000	Total equity RM'000
At 10 April 2025 (date of incorporation)		-*	-	-*
Total comprehensive income for the financial period				
Profit for the financial period		-	59,743	59,743
Total comprehensive income		-	59,743	59,743
Transactions with owners				
Issuance of shares pursuant to internal reorganisation	15	254,403	-	254,403
Total transactions with owners		254,403	-	254,403
At 31 March 2026		254,403	59,743	314,146

* *Represent amount less than RM1,000*

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

	Note	Group		Company
		1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000 (Unaudited)^ (Note 33)	10.4.2025 to 31.3.2026 RM'000
Cash flows from operating activities				
Profit before tax		**1,661**	33,367	**59,817**
Adjustments for:				
Amortisation of intangible assets		**-**	64	**-**
Bad debts written off		**-**	67	**-**
Deposit forfeited		**-**	(7,000)	**-**
Depreciation of property, plant and equipment		**4,349**	4,150	**-**
Effect of accretion of interest on operating financial assets		**(411)**	(517)	**-**
Finance costs		**319**	300	**-**
Gain on disposal of property, plant and equipment		**(40)**	(4)	**-**
Gain on disposal of a subsidiary		**-**	(1,872)	**-**
Impairment loss on:				
- goodwill on consolidation		**-**	12,000	**-**
- trade and other receivables		**4,888**	578	**-**
Interest income		**(5,378)**	(4,539)	**(311)**
Net (reversal)/provision of inventories written down		**(7,637)**	7,723	**-**
Reversal of impairment loss on trade and other receivables		**(50)**	(723)	**-**
Share of results of associates		**(20)**	49	**-**
Share of results of joint venture		**-**	(553)	**-**
Unrealised (gain)/loss on foreign exchange		**(1,235)**	3,667	**-**
Operating (loss)/profit before changes in working capital, carried forward		**(3,554)**	46,757	**59,506**

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

	Note	Group		Company
		1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000 (Unaudited)^ (Note 33)	10.4.2025 to 31.3.2026 RM'000
Cash flows from operating activities (Cont'd)				
Operating loss/(profit) before changes in working capital, brought forward		**(3,554)**	46,757	**59,506**
Changes in working capital:				
Contract (liabilities)/assets		**(344)**	(1,493)	**-**
Inventories		**416**	4,737	**-**
Operating financial assets		**1,896**	1,896	**-**
Trade and other payables		**(350)**	(34,361)	**151**
Trade and other receivables		**34,635**	11,985	**(109)**
Prepayments		**(529)**	240	**-**
Net cash generated from operations		**32,170**	29,761	**59,548**
Interest paid		**(317)**	(293)	**-**
Interest received		**5,378**	4,539	**311**
Income tax paid		**(10,398)**	(9,221)	**-**
Net cash from operating activities		**26,833**	24,786	**59,859**
Cash flows from investing activities				
Addition in investment in joint venture		**-**	(239)	**-**
Repayment from subsidiaries		**-**	-	**135**
Proceeds from disposal of plant and equipment		**164**	8	**-**
Purchase of property, plant and equipment		**(1,232)**	(1,242)	**-**
Withdrawal of fixed deposits		**13,523**	90	**-**
Proceeds from disposal of a subsidiary, net of cash disposed		**-**	2,382	**-**
Net cash from investing activities		**12,455**	999	**135**

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

	Note	Group		Company
		1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000 (Unaudited)^ (Note 33)	10.4.2025 to 31.3.2026 RM'000
Cash flows from financing activities				
Dividend paid		**(4,078)**	(16,314)	-
Repayment of invoice financing	(a)	**(786)**	(1,447)	-
Payments of lease liabilities	(a)	**(81)**	(79)	-
Net cash used in financing activities		**(4,945)**	(17,840)	-
Net increase in cash and cash equivalents		**34,343**	7,945	**59,994**
Cash and cash equivalents at the beginning of the financial year/period/date of incorporation		**147,329**	141,843	-
Effect of exchange rate changes on cash and cash equivalents		**(4,712)**	(2,459)	-
Cash and cash equivalents at the end of the financial year/period	14(a)	**176,960**	147,329	**59,994**

* *Represent amount less than RM1,000*

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 MARCH 2026

(a) Reconciliation of liabilities arising from financing activities:

		Non-cash		
	1.4.2025 RM'000	Interest expenses RM'000	Cash flows RM'000	31.3.2026 RM'000
Group				
Lease liabilities	79	2	(81)	-
Invoice financing	1,763	-	(786)	**977**
	1,842	2	(867)	**977**

		Non-cash		
	1.4.2024 RM'000 (Unaudited)^ (Note 33)	Interest expenses RM'000	Cash flows RM'000	31.3.2025 RM'000 (Unaudited)^ (Note 33)
Group				
Lease liabilities	151	7	(79)	**79**
Invoice financing	3,210	-	(1,447)	**1,763**
	3,361	7	(1,526)	**1,842**

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

(b) Total cash outflows for leases as a lessee

During the financial year/period, the total cash outflows incurred for leases of the Group and Company amounting to RM255,712 and RM24,600 (2025: RM223,635 and RM Nil) respectively.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

IRIS Group Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

On 7 January 2026, the Company completed the share exchange of 815,727,624 ordinary shares in IRIS Corporation Berhad ("ICB") representing the entire issued and share capital of ICB with 815,727,624 new ordinary shares in the Company on the basis of 1 new Company share for every 1 existing ICB share held, by way of Members' Scheme of Arrangement pursuant to Section 366 of the Companies Act 2016 in Malaysia. Accordingly, the Company assumed the listing status of ICB on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Level 7, Mercu 3, No.3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur.

The principal place of business of the Company is located at IRIS Smart Technology Complex, Lot 8 & 9, Technology Park Malaysia, Bukit Jalil, 57000 Kuala Lumpur.

The principal activity of the Company is investment holding.

The principal activities of its subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of the activities during the financial year/period.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 July 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year/period:

<u>Amendments to MFRS</u>

MFRS 121	The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

(a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 18	Presentation and Disclosure in Financial Statements	**1 January 2027**
Amendments to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	**1 January 2026**
MFRS 7	Financial Instruments: Disclosures	**1 January 2026**
MFRS 9	Financial Instruments	**1 January 2026**
MFRS 10	Consolidated Financial Statements	**1 January 2026/ Deferred**
MFRS 107	Statement of Cash Flows	**1 January 2026**
MFRS 121	The Effects of Changes in Foreign Exchange Rates	**1 January 2027**
MFRS 128	Investments in Associates and Joint Ventures	**Deferred**

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity's financial performance, and any changes made to the MPMs in the year.

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (Cont'd)

MFRS 18 Presentation and Disclosure in Financial Statements (Cont'd)

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.

- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

(c) The financial effects of the adoption of the new MFRS and amendments to MFRSs that have been issued but yet to be effective are currently still being assessed by the Group and the Company.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial year/period presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

(c) Associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

(d) Reorganisation

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using reorganisation accounting principles. Under the reorganisation method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to reorganisation reserve or reorganisation deficit.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 Basis of consolidation (Cont'd)

(d) Reorganisation (Cont'd)

Acquisition of entities under a reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are a continuation of the acquired entity and is accounted for as follows:

- the results of entities are presented as if the reorganisation occurred from the beginning of the earliest period presented in the financial statements;
- the assets and liabilities of the acquired entity is recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- no new goodwill is recognised as a result of the reorganisation;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in capital reorganisation reserve or deficit.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Property, plant and equipment

Property, plant and equipment (other than leasehold land and buildings) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold land and buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the leasehold land and buildings does not differ materially from the carrying amount. The gross carrying amount is restated and the difference compared to the revalued amount of asset is absorbed by the accumulated depreciation.

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If the asset's carrying amount is decreased as results of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Leasehold buildings	50 years
Office buildings	3 years
Office equipment, furniture and fittings	3 to 10 years
Motor vehicles	5 years
Plant and machinery	3 to 13 years

3.5 Leases

Lessee accounting

The Group presents right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and Note 6(a) to the financial statements and lease liabilities as separate lines in the statements of financial position and Note 6(b) to the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 Leases (Cont'd)

Lessee accounting (Cont'd)

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use asset

The right-of-use assets (other than leasehold land that measures using revaluation model) are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

3.6 Intangible assets

Intangible assets, other than goodwill and licenses, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Development costs	Straight-line	**5 years**
Intellectual properties	Straight-line	**10 years to 20 years**

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a weighted average cost basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Service concession arrangements

The Group entered into various public-to-private service concession arrangements to construct, operate and maintain infrastructures used to provide a public service for a specified period of time. Under these concession arrangements, the grantor controls significant residual interest in the infrastructure at the end of the concession period.

The service concession arrangements are accounted for based on the nature of the consideration as follows:

- the intangible asset model is used to the extent that the Group receives a right (a license) to charge users of the public service;
- the financial asset model is used when the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services; or
- when the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component.

Financial assets model

The Group accounts for their service concession arrangements under the financial assets model as the Group has unconditional rights to receive cash or another financial asset from or at the direction of the grantor for the construction services. The consideration received and receivable is allocated by reference to the relative stand-alone selling prices of the various services delivered when the amounts are separately identifiable. The Group estimates the relative stand-alone selling prices of the services by reference to the costs of providing each service plus a reasonable profit margin.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at the amount of consideration to which the Group expects to be entitled. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method.

Any asset carried under concession arrangements is derecognised when the contractual rights to the financial asset expire.

3.9 Revenue and other income

Financing components
The Group has applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components if the Group expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Sale of goods

Revenue from manufactures and sales of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term of 30 to 60 days, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.9 Revenue and other income (Cont'd)

(a) Sale of goods (Cont'd)

Where consideration is collected from customer in advance for sale of good, a contract liability is recognised for the customer deposits. Contract liability would be recognised as revenue upon sale of goods to the customer.

Based on the terms of the contracts with certain customers, it is the Group's obligation to repair or replace faulty products under different warranty terms to customers.

(b) Rendering of services

The Group provides maintenance services, technical support and other services to contract customers. Depending on contracts with customers, service contracts comprise multiple deliverables that require significant integration service will be accounted as a single performance obligation.

Whereas contracts with customers which include multiple distinct promises to customers will be accounted for as separate performance obligations. In the contract with customer contains more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost-plus-margin approach.

Based on the terms of the contracts with different customers, services are recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the actual costs incurred for work performed to-date plus a margin (an input method).

Sales are made with a credit term of 14 to 60 days, therefore, no element of financing is deemed present. The Group become entitled to invoice customers for services based on achieving a series of performance-related milestones.

The Group recognised a contract asset for any excess of revenue recognised to-date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to-date and any deposit or advances received from customers, then the Group recognises a contract liability for the difference.

(c) Dividend income

Dividend income from subsidiaries is recognised when right to receive payment is established.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flows projections, including forecast growth rates, inflation rates and gross profit margins. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected.

The carrying amount of the Group's goodwill and key assumptions used to determine the recoverable amount for cash-generating unit, including sensitivity analysis, are disclosed in Note 7(a) to the financial statements.

(b) Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and their expected loss. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast economic conditions over the expected lives of the financial assets and contract assets. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of receivables' actual default in the future.

The information about the impairment losses on the Group's and the Company's financial assets and contract assets are disclosed in Note 26(b)(i) to the financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Leasehold buildings RM'000 (At valuation)	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Right-of-use assets RM'000 (Note 6(a))	Total RM'000
Group						
Cost/Valuation						
At 1 April 2025	45,400	26,054	1,360	73,171	24,418	170,403
Additions	-	169	841	222	-	1,232
Disposals	-	(546)	(156)	(79)	-	(781)
Derecognition	-	-	-	-	(218)	(218)
At 31 March 2026	45,400	25,677	2,045	73,314	24,200	170,636
Accumulated depreciation and impairment loss						
At 1 April 2025	-	24,565	1,140	68,113	146	93,964
Depreciation charge for the financial year	1,498	424	256	1,300	871	4,349
Disposals	-	(542)	(37)	(78)	-	(657)
Derecognition	-	-	-	-	(218)	(218)
At 31 March 2026	1,498	24,447	1,359	69,335	799	97,438
Carrying amounts						
At 31 March 2026	43,902	1,230	686	3,979	23,401	73,198

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Leasehold buildings RM'000 (At valuation)	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Right-of-use assets RM'000 (Note 6(a))	Total RM'000
Group						
Cost/Valuation						
At 1 April 2024	67,000	25,101	1,179	73,142	16,218	182,640
Additions	-	1,024	189	29	-	1,242
Disposals	-	(71)	(8)	-	-	(79)
Elimination	(11,376)	-	-	-	(2,716)	(14,092)
Revaluation	(10,224)	-	-	-	10,916	692
At 31 March 2025	45,400	26,054	1,360	73,171	24,418	170,403
Accumulated depreciation and impairment loss						
At 1 April 2024	9,480	24,036	909	67,219	2,337	103,981
Depreciation charge for the financial year	1,896	597	238	894	525	4,150
Disposals	-	(68)	(7)	-	-	(75)
Elimination	(11,376)	-	-	-	(2,716)	(14,092)
At 31 March 2025	-	24,565	1,140	68,113	146	93,964
Carrying amounts						
At 31 March 2025	45,400	1,489	220	5,058	24,272	76,439

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Revaluation on leasehold land and leasehold buildings

Had the revalued leasehold land and leasehold buildings been carried at historical cost less accumulated depreciation, the net carrying amount of the leasehold land and buildings and that would have been included in the financial statement of the Group is as follows:

	Group	
	2026 RM'000	2025 RM'000
Leasehold buildings	**19,817**	20,863
Right-of-use assets - Leasehold land	**6,975**	7,002

Fair value information

	Group	
	2026 RM'000	2025 RM'000
Level 3		
Leasehold land	**24,200**	24,200
Leasehold buildings	**45,400**	45,400

There is no transfer between the level of fair value hierarchy during the financial year ended 31 March 2026.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Leasehold land	Comparison approach	Price per square foot RM121	The higher the price per square foot, the higher the fair value.
Leasehold buildings	Cost approach	Estimated average price per square foot RM70-RM230	The higher the price per square foot, the higher the fair value.
		Estimated average outgoings per square foot RM0.75	The lower the estimated outgoings per square foot, the higher the fair value.

Valuation process applied by the Group

The fair value of leasehold land and leasehold buildings are determined based on the valuation performed by an external independent firm of professional valuers, Raine & Home International Zaki + Partners Sdn. Bhd., a member of the Institute of Valuers in Malaysia on 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Revaluation on leasehold land and leasehold buildings (Cont'd)

Highest and best use

In estimating the fair value of the leasehold land and leasehold buildings, the highest and best use of the leasehold land and leasehold buildings is their current use.

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

The Group lease several assets which includes leasehold land and office building as their office space and operation site.

Information about leases for which of the Group are lessees is presented below:

	Leasehold land (At valuation) RM'000	Office buildings (At cost) RM'000	Total RM'000
Group			
Cost/Valuation			
At 1 April 2024	16,000	218	16,218
Elimination	(2,716)	-	(2,716)
Revaluation	10,916	-	10,916
At 31 March 2025	24,200	218	24,418
Derecognition	-	(218)	(218)
At 31 March 2026	24,200	-	24,200
Accumulated depreciation			
At 1 April 2024	2,264	73	2,337
Depreciation charge for the financial year	452	73	525
Elimination	(2,716)	-	(2,716)
At 31 March 2025	-	146	146
Depreciation charge for the financial year	799	72	871
Derecognition	-	(218)	(218)
At 31 March 2026	799	-	799
Carrying amount			
At 31 March 2026	23,401	-	23,401
At 31 March 2025	24,200	72	24,272

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(a) Right-of-use assets (Cont'd)

The leasehold land has a remaining lease term of 29 years (2025: 30 years).

The lease of office building has remaining lease term of Nil (2025: 1 year).

(b) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2026 RM'000	2025 RM'000
Minimum lease payments:		
Not later than 1 year	-	82
Later than 1 year and not later than 5 years	-	-
	-	82
Less: Future finance charges	-	(3)
Present value of minimum lease payments	-	79
Present value of minimum lease payments:		
Not later than 1 year	-	79
Later than 1 year and not later than 5 years	-	-
	-	79
Less: Amount due within 12 months	-	(79)
Amount due after 12 months	-	-

The lease liabilities of the Group bear interest at rate of 6.70% (2025: 6.70%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

7. INTANGIBLE ASSETS

	Goodwill on consolidation RM'000	Development costs RM'000	Intellectual properties RM'000	Total RM'000
Group				
Cost				
At 1 April 2025/31 March 2026	**129,689**	**16,451**	**40,391**	**186,531**
Accumulated amortisation and impairment loss				
At 1 April 2025/31 March 2026	**41,689**	**16,451**	**40,391**	**98,531**
Carrying amounts				
At 31 March 2026	**88,000**	**-**	**-**	**88,000**
Cost				
At 1 April 2024/31 March 2025	129,689	16,451	40,391	186,531
Accumulated amortisation and impairment loss				
At 1 April 2024	29,689	16,387	40,391	86,467
Amortisation charge for the financial year	-	64	-	64
Impairment loss for the financial year	12,000	-	-	12,000
At 31 March 2025	41,689	16,451	40,391	98,531
Carrying amounts				
At 31 March 2025	88,000	-	-	88,000

7. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill on consolidation

Impairment of goodwill

The Group reviews the business performance based on the type of products and services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the following Group's cash generating unit ("CGU") which is also reportable operating segment, which represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

The carrying amount of goodwill allocated to the CGU of the Group, according to operating segment is as follows:

	Group	
	2026 RM'000	2025 RM'000
Trusted identification	**88,000**	88,000

Goodwill is assessed at each reporting period regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of the CGU.

The recoverable amount of CGU has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by the directors covering a three-year period to be more reflective of the recent new contracts entered or renewed by the Group.

Based on the sensitivity analysis performed, the directors believe that there is no reasonably possible change in key assumption that would cause the carrying value of the CGU to exceed its recoverable amount. The estimated recoverable amount of the CGU exceeds the carrying amount. As a result of the analysis, the directors did not identify any impairment for this CGU.

The value-in-use calculation is most sensitive to the following key assumptions:

	CGU	
	2026	2025
Average gross margin	**31%**	30%
Discount rate	**11%**	14%

These key assumptions have been used for the analysis of the CGU within the operating segments. The values assigned to the key assumptions represent directors' assessment of future trends in the trusted identification industry and are based on both external sources and internal sources (historical data).

NOTES TO THE FINANCIAL STATEMENTS

7. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill on consolidation (Cont'd)

Impairment of goodwill (Cont'd)

The calculation of value-in-use for the CGU is most sensitive to the following assumptions:

- Sales are based on the secured contracts with customers over the three-year projection period.
- Gross margin is the forecasted margin as a percentage of revenue over the three-year projection period.
- Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects directors' estimate of the risks specific to the CGU at the date of assessment.

(b) Development costs

The development costs principally comprise internally generated expenditure incurred for developing the devices and software where it is reasonably anticipated that the costs will be recovered through future activities.

(c) Intellectual properties

The intellectual properties mainly consist of trademarks, patents, licenses and copyright.

(d) Amortisation

All the amortisation of development costs and intellectual properties of the Group are included in cost of sales.

8. OPERATING FINANCIAL ASSETS

	Group	
	2026 RM'000	2025 RM'000
At the beginning of the financial year	**5,437**	6,816
Add: Effect on accretion of interest from discounting	**411**	517
Less: Payment received	**(1,896)**	(1,896)
At the end of the financial year	**3,952**	5,437
Non-current	**2,354**	3,952
Current	**1,598**	1,485
	3,952	5,437

The Group had entered into the following concession agreements:

Financial assets model

(a) The Group had entered into a concession agreement with the Government of Republic of Senegal on 3 September 2007 for the Built-Own-Transfer ("BOT") implementation of electronic passport system for a period of 20 years comprising 6 months of construction work and 19 years and 6 months of maintenance work and supply of products. Upon the expiry of the concession period, the Group is required to handover the facilities and infrastructure at no cost to the Government of Republic of Senegal in a well-maintained condition, fair of wear and tear.

(b) The Group had entered into a concession agreement with the Government of Republic of Guinea on 4 October 2013 for the establishment of information and management system of electronic passport, visa and permanent residence ID for a period of 15 years comprising of 6 months of construction work and 14 years and 6 months of maintenance work and supply of products. Upon the expiry of the concession period, the Group is required to handover the facilities and infrastructure at no cost to the Government of Republic of Guinea in a well-maintained condition, fair of wear and tear.

(c) The Group had entered into a concession agreement with the Government of Solomon Islands on 24 November 2015 for the establishment of information and management system of electronic passport and border control for a period of 20 years comprising of 6 months of construction work and 19 years and 6 months of maintenance work and supply of products. Upon the expiry of the concession period, the Group is required to handover the facilities and infrastructure at no cost to the Government of Solomon Islands in a well-maintained condition, fair of wear and tear.

The amount, being the financial assets arising from the above concession agreements represents the fair value of the consideration receivable for the construction services delivered during the stage of construction. The interest at the rates ranging from 7.41% to 7.63% (2025: 7.41% to 7.63%) per annum repayable in the form of availability charges upon fulfilment of the terms and conditions in the concession assets.

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT IN SUBSIDIARIES

	Company 2026 RM'000
At cost	
Unquoted shares	
At 10 April 2025 (date of incorporation)	-
Additions during the financial period	254,403
At the end of the financial period	254,403

(a) Details of the subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest 2026 %	Ownership interest 2025 % (Note 33)^	Principal activities
Direct subsidiaries				
IRIS Corporation Berhad	Malaysia	100	-	Technology consulting and the implementation of trusted identification, payment, transportation and sustainable development.
IRIS Global Support Services Sdn. Bhd. *(formerly known as IRIS Project Management Sdn. Bhd.)*	Malaysia	100	-	Provision of management services.
IRIS International Ventures Sdn. Bhd. *(formerly known as Thetris ISS Sdn. Bhd.)*	Malaysia	100	-	Dormant.

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of company	Principal place of business/ country of incorporation	Ownership interest 2026 %	Ownership interest 2025 % (Note 33)^	Principal activities
Subsidiaries of IRIS Corporation Berhad				
IRIS Information Technology Systems Sdn. Bhd.	Malaysia	**100**	-	Provision of trusted identification and information technology related products, services and business solutions.
IRIS Advancetech Sdn. Bhd.	Malaysia	**100**	-	Provision of trusted identification related products.
IRIS RK Sdn. Bhd.	Malaysia	**100**	-	Provision of trusted identification and information technology related products, services and business solutions.
IRIS Corporation (Bangladesh) Limited +	Bangladesh	**100**	-	Provision of trusted identification services and maintenance.
IRIS AMS Sdn. Bhd.	Malaysia	**100**	-	Provision of attendance management solution and other trusted identification related products.
IRIS Technologies (M) Sdn. Bhd.	Malaysia	**100**	-	Dormant.
IRIS KM Sdn. Bhd.	Malaysia	**100**	-	Dormant.
IRIS Border Control Solutions Sdn. Bhd.	Malaysia	**100**	-	Dormant.
RB Biotech Sdn. Bhd.	Malaysia	**66.67**	-	Dormant.
Warisan Atlet (M) Sdn. Bhd. *	Malaysia	**49**	-	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2026 %	2025 % (Note 33)^	
Subsidiary of IRIS International Ventures Sdn. Bhd. *(formerly known as Thetris ISS Sdn. Bhd.)*				
IRIS eServices Sdn. Bhd.	Malaysia	**100**	-	Dormant.
Subsidiary of IRIS Advancetech Sdn. Bhd.				
Endah Farm Sdn. Bhd.	Malaysia	**60**	-	Dormant.

\+ *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*

* *The Group has control over the subsidiary pursuant to MFRS 10 Consolidated Financial Statements, due to the parent company has significant representation on subsidiary's board of directors.*

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

(b) Internal reorganisation

On 7 January 2026, the Company completed the share exchange of the existing IRIS Corporation Berhad ("ICB") shares for the new Company's shares on the basis of 1 new share for every 1 existing ICB shares held by way of a Members' Scheme of Arrangement pursuant to Section 366 of the Companies Act 2016 in Malaysia. As a result of the share exchange, ICB became a wholly owned subsidiary of the Company.

(c) Transfer of shares

Transfer of shares of IRIS Global Support Services Sdn. Bhd. ("IGSS")

On 26 January 2026, the Company acquired 3,000,000 ordinary shares (representing 100% controlling interest) in the equity shares of IRIS Global Support Services Sdn. Bhd. ("IGSS") from IRIS Corporation Berhad ("ICB") at a total consideration of RM1 as part of a corporate restructuring exercise.

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Transfer of shares (Cont'd)

Transfer of shares of IRIS International Ventures Sdn. Bhd. ("IVSB")

On 3 March 2026, the Company acquired 90,000 ordinary shares (representing 100% controlling interest) in the equity shares of IRIS International Ventures Sdn. Bhd. ("IVSB") from IRIS Corporation Berhad ("ICB") at a total consideration of RM1 as part of a corporate restructuring exercise.

(d) Non-controlling interests in subsidiaries

The financial information of the Group's subsidiaries that have material non-controlling interests are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest	
		2026 %	2025 % (Note 33)^
Warisan Atlet (M) Sdn. Bhd.	Malaysia	**51**	51
RB Biotech Sdn. Bhd.	Malaysia	**33.33**	33.33
Endah Farm Sdn. Bhd.	Malaysia	**40**	40

^ *Refer to Note 33 to the financial statements for basis of preparation of comparative figures.*

(e) Summarised financial information of material non-controlling interests

The summarised financial information of the Group's and the Company's subsidiaries that have non-controlling interests has not been presented as the non-controlling interests in subsidiaries are not individually material to the Group.

10. INVESTMENT IN ASSOCIATES

	Group	
	2026 RM'000	2025 RM'000
At cost		
Unquoted shares	**5,000**	5,000
Share of post-acquisition reserves, net of dividend received	**(4,318)**	(4,338)
	682	662

NOTES TO THE FINANCIAL STATEMENTS

10. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities/ nature of relationship
		2026 %	2025 %	
Associate of IRIS Corporation Berhad				
Multimedia Display Technologies Sdn. Bhd. ("MDT") + * #	Malaysia	**44.4**	44.4	Research, development, marketing and distribution of CRT/LCD display monitors and Radio Frequency Identity System (RFID). The activities contribute to the Group's trusted identification business segment.
Associate of IRIS Advancetech Sdn. Bhd.				
Ubud Tower Sdn. Bhd.	Malaysia	**50**	50	Dormant.

\+ *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*

* *The financial year end of this associate is not coterminous with the Group. As such, for the purpose of applying equity method of accounting, the management financial statements of the associate for the financial period ended 31 March 2026 have been used.*

\# *The audited financial statements and auditors' report of the associates are not available. The management accounts have been used for the purpose of consolidation.*

(a) Summarised financial information of material associate

Summarised financial information of the associates has not been presented as the associates and the share of results of associates are not individually material to the Group.

(b) Unrecognised share of losses of Ubud Tower Sdn. Bhd.

The Group has not recognised its share of losses of Ubud Tower Sdn. Bhd. amounting to RM4,281 (2025: RM3,057) because the Group's cumulative share of losses has exceeded its interest in the associates and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM38,714 (2025: RM34,433).

11. INVENTORIES

	Group	
	2026 RM'000	2025 RM'000
Raw materials	**9,536**	5,332
Work-in-progress	**7,047**	6,312
Finished goods	**7,387**	5,105
	23,970	16,749

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM40,059,362 (2025: RM43,873,702).

The cost of inventories of the Group recognised in cost of sales in respect of net (reversal)/provision of written down inventories to net realisable value are:

	Group	
	2026 RM'000	2025 RM'000
Net (reversal)/provision of inventories written down	**(7,637)**	7,723

NOTES TO THE FINANCIAL STATEMENTS

12. TRADE AND OTHER RECEIVABLES

	Note	Group		Company
		2026 RM'000	2025 RM'000	2026 RM'000
Current:				
Trade				
Third parties	(a)	**65,065**	103,854	**-**
Less: Accumulated impairment losses		**(10,089)**	(11,688)	**-**
		54,976	92,166	**-**
Non-trade				
Other receivables	(b)	**4,751**	4,868	**82**
Value added tax refundable		**3,148**	2,955	**-**
Withholding tax refundable	(b)	**7,645**	7,645	**-**
Deposits	(b)	**8,850**	20,241	**8**
Advances to suppliers		**2,435**	848	**-**
Amount owing by associates	(b)	**73**	65	**-**
		26,902	36,622	**90**
Less: Accumulated impairment losses				
- other receivables	(b)	**(3,649)**	(4,849)	**-**
- value added tax refundable		**(2,596)**	(2,596)	**-**
- withholding tax refundable	(b)	**(7,645)**	(2,765)	**-**
- deposits	(b)	**(5,860)**	(17,545)	**-**
- amount owing by associates	(b)	**(73)**	(65)	**-**
		(19,823)	(27,820)	**-**
		7,079	8,802	**90**
Total trade and other receivables		**62,055**	100,968	**90**

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit term offered by the Group ranging from 30 to 60 days (2025: 30 to 60 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2026 RM'000	2025 RM'000
At 1 April	**11,688**	**15,859**
Charge for the financial year		
- Individually assessed	**-**	572
Reversal of impairment losses		
- Individually assessed	**(50)**	(285)
Written off for the financial year	**(1,531)**	(4,107)
Exchange differences	**(18)**	(351)
At 31 March	**10,089**	11,688

Included in trade receivables of the Group is an amount owing of RM25,014,310 (2025: RM27,400,747) owing by a contract customer of which credit is enhanced by a security deposit received as disclosed in Note 19(b) to the financial statements.

The information about the credit exposures is disclosed in Note 26(b)(i) to the financial statements.

(b) Other receivables, withholding tax refundable deposits and amount owing by associates

The non-trade amount owing by associates is unsecured, interest-free, repayable on demand and is expected to be settled in cash.

The reconciliation of movement in the Group's impairment of other receivables, withholding tax refundable, deposits and non-trade amount owing by associates are as follows:

	Group	
	2026 RM'000	2025 RM'000
At 1 April	**27,820**	36,929
Charge for the financial year	**4,888**	6
Reversal for the financial year	**-**	(438)
Written off for the financial year	**(12,885)**	(8,677)
At 31 March	**19,823**	27,820

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2026 RM'000	2025 RM'000
Contract assets relating to contract works with customers	**150,531**	146,510
Contract liabilities relating to contract works with customers	**(4,702)**	(1,025)

(a) The contract assets represent the Group's rights to consideration for goods or services transferred but are yet to be billed. Contract assets are transferred to receivables when the Group issue progress billings to the customers.

(b) The contract liabilities represent advance consideration received from the customers for the goods or services which are yet to fulfil the performance obligations.

(c) Significant changes in contract assets and liabilities balances.

	2026		2025	
	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000
Group				
Revenue recognised that was included in contract liabilities at the beginning of the financial year	**-**	**1,025**	-	4,715
Increases due to consideration received from customers, but revenue not recognised	**-**	**(4,702)**	-	(1,025)
Increases due to unbilled revenue recognised	**6,374**	**-**	579	-
Transfers from contract assets recognised at the beginning of the period to receivables	**(2,353)**	**-**	(2,776)	-

13. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) Revenue recognised in relation to contract assets and liabilities balances

	Group	
	2026 RM'000	2025 RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	**1,025**	4,715

(e) Included in the contract assets of the Group is an amount of RM143,642,636 (2025: RM143,642,636) in relation to NIISe contract. As disclosed in Note 31(i) to the financial statements, the NIISe contract was terminated on 10 August 2023.

14. CASH AND SHORT-TERM DEPOSITS

	Group		Company
	2026 RM'000	2025 RM'000	2026 RM'000
Cash and bank balances	**31,350**	59,641	**494**
Short-term deposits placed with licensed banks	**150,620**	106,221	**59,500**
	181,970	165,862	**59,994**

(a) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company
	2026 RM'000	2025 RM'000	2026 RM'000
Short-term deposits placed with licensed banks	**150,620**	106,221	**59,500**
Less: Pledged deposits and deposits with maturity period of more than three months	**(5,010)**	(18,533)	**-**
	145,610	87,688	**59,500**
Cash and bank balances	**31,350**	59,641	**494**
	176,960	147,329	**59,994**

(b) Included in cash and bank balances and short-term deposits placed with licensed banks of the Group is an amount of RM17,902,817 (2025: RM31,416,421) pledged to licensed banks for bank guarantee facilities and credit facilities granted to the Group as disclosed in Note 18 to the financial statements and hence, are not available for general use.

NOTES TO THE FINANCIAL STATEMENTS

14. CASH AND SHORT-TERM DEPOSITS (CONT'D)

(c) The weighted average effective interest rates of the short-term deposits at the end of the reporting date ranged from 1.45% to 3.60% (2025: 2.15% to 5.50%) per annum. The fixed deposits have maturity periods ranging from 30 to 365 days (2025: 30 to 365 days).

15. SHARE CAPITAL

	Group			
	Number of ordinary shares		Amount	
	2026 Unit'000	2025 Unit'000	2026 RM'000	2025 RM'000
Issued and fully paid up (no par value):				
At 1 April	**815,727**	815,727	**180,759**	180,759
Adjustment pursuant to internal reorganisation	**-**	-	**73,644**	-
At 31 March	**815,727**	815,727	**254,403**	180,759

	Company	
	Number of ordinary shares	Amount
	2026 Unit'000	2026 RM'000
Issued and fully paid up (no par value):		
At 10 April 2025 (date of incorporation)	-*	-*
Issuance of shares pursuant to internal reorganisation	815,727	254,403
At 31 March 2026	**815,727**	**254,403**

* *Represent amount less than RM1,000*

(a) Incorporation

The Company was incorporated with issued and fully paid-up share capital of RM2 comprising 2 shares at a price of RM1 per ordinary share.

(b) Internal reorganisation

During the financial period, the Company issued 815,727,624 ordinary shares in exchange of 815,727,624 ordinary shares in IRIS Corporation Berhad ("ICB") pursuant to the internal reorganisation by way of Members' Scheme of Arrangement under Section 366 of the Companies Act 2016 in Malaysia as detailed in Note 32(a) to the financial statements.

15. SHARE CAPITAL (CONT'D)

The new ordinary shares issued during the financial period ranked pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

16. OTHER RESERVES

		Group	
	Note	2026 RM'000	2025 RM'000
Foreign exchange translation reserve	(a)	**(152)**	(50)
Revaluation reserve	(b)	**27,808**	28,789
Reorganisation deficit	(c)	**(73,644)**	-
		(45,988)	28,739

(a) Foreign exchange translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

(b) Revaluation reserve

The revaluation reserve represented surpluses which arose from the valuation of the property.

(c) Reorganisation deficit

The reorganisation deficit represents the difference between the carrying amount of the investment in ICB reorganised by the Company upon completion of the share exchange and the share capital issued by the Company following the internal reorganisation by way of members Scheme of Arrangement under Section 366 of the Companies Act 2016 in Malaysia.

17. DEFERRED TAX LIABILITIES

Presented after appropriate offsetting as follows:

	Group	
	2026 RM'000	2025 RM'000
Deferred tax liabilities	**(10,805)**	(10,406)

NOTES TO THE FINANCIAL STATEMENTS

17. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax relates to the following:

	At 1 April 2025 RM'000	Recognised in profit or loss RM'000	At 31 March 2026 RM'000
Group			
Deferred tax liabilities:			
Property, plant and equipment	(11,516)	(1,966)	**(13,482)**
Deferred tax assets:			
Other items	1,110	1,567	**2,677**
	(10,406)	(399)	**(10,805)**

	At 1 April 2024 RM'000	Recognised in profit or loss RM'000	At 31 March 2025 RM'000
Group			
Deferred tax liabilities:			
Property, plant and equipment	(14,476)	2,960	(11,516)
Deferred tax assets:			
Other items	2,985	(1,875)	1,110
	(11,491)	1,085	(10,406)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2026 RM'000	2025 RM'000
Temporary differences on property, plant and equipment	**(21)**	(17)
Unabsorbed capital allowances	**15,195**	15,172
Unutilised tax losses	**91,603**	79,414
Other items	**211**	78
	106,988	94,647
Potential deferred tax assets not recognised at 24% (2025: 24%)	**25,677**	22,715

17. DEFERRED TAX LIABILITIES (Cont'd)

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, any accumulated tax losses brought forward from year of assessment 2018 can be carried forward for another 7 consecutive years of assessment. The Finance Act 2021 was published on 31 December 2021 with extension of the time period for carrying forward unused tax losses to 10 years from existing 7 years. The 10 years expiry of the unutilised tax losses is as below:

	Group	
	2026 RM'000	2025 RM'000
Year of assessment		
2028	**59,383**	59,383
2029	**1,409**	1,409
2030	**959**	959
2031	**3,200**	5,559
2032	**919**	919
2033	**346**	346
2034	**9,996**	9,996
2035	**843**	843
2036	**14,548**	-
	91,603	79,414

18. LOANS AND BORROWINGS

	Group	
	2026 RM'000	2025 RM'000
Current:		
Secured		
Invoice financing	**977**	1,763

The invoice financing bears effective interest rates range at 4.55% (2025: 5.03% to 5.04%) per annum at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

19. TRADE AND OTHER PAYABLES

	Note	Group		Company
		2026 RM'000	2025 RM'000	2026 RM'000
Current:				
Trade				
Third parties	(a)	**59,885**	53,452	**-**
Accruals		**71,658**	73,599	**-**
		131,543	127,051	**-**
Non-trade				
Other payables		**24,445**	24,647	**19**
Sales and services tax and value added tax payable		**183**	1,146	**-**
Deposits	(b)	**25,297**	28,294	**-**
Accruals		**11,000**	18,024	**132**
Amount owing to subsidiaries	(c)	**-**	-	**135**
		60,925	72,111	**286**
Total trade and other payables		**192,468**	199,162	**286**

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group ranging from 30 to 90 days (2025: 30 to 90 days).

(b) Deposits

Included in deposits of the Group is an amount of RM25,296,614 (2025: RM27,665,612) represents the security deposits made by a contract customer.

(c) Amount owing to subsidiaries

The non-trade amounts owing to subsidiaries represent unsecured, interest free advances, payments made on behalf, repayable on demand and are expected to be settled in cash.

For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 26(b)(ii) to the financial statements.

20. REVENUE

	Group		Company
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000	10.4.2025 to 31.3.2026 RM'000
Revenue from contract customers:			
Sales of goods	**78,505**	116,931	**-**
Maintenance and services	**8,630**	8,982	**-**
Construction contracts	**(58)**	794	**-**
Concession arrangements *	**80,585**	94,294	**-**
	167,662	221,001	**-**
Revenue from other source:			
Dividend income received from subsidiary	**-**	-	**60,000**
	167,662	221,001	**60,000**

* These relate to construction revenue recognised in accordance with IC Interpretation 12 *Service Concession Arrangements* and MFRS 15 *Revenue from Contracts with Customers* in respect of the construction of public services pursuant to the concession arrangements as disclosed in Note 8 to the financial statements.

(a) Disaggregation of revenue

The Group reports the following major segments: trusted identification and sustainable development in accordance with MFRS 8 *Operating Segments*. For disclosure of disaggregation of revenue, it disaggregates revenue into primary geographical markets, major goods or services and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

For information about disaggregation of revenue into primary geographical market, refer to Note 30 to the financial statements.

	Trusted identification RM'000	Other divisions RM'000	Total RM'000
Group			
2026			
Major goods or services:			
Sales of goods	**78,487**	**18**	**78,505**
Maintenance and services	**8,630**	**-**	**8,630**
Construction contracts	**-**	**(58)**	**(58)**
Concession arrangements	**80,585**	**-**	**80,585**
	167,702	**(40)**	**167,662**
Timing of revenue recognition:			
At a point in time	78,487	18	78,505
Over time	89,215	(58)	89,157
	167,702	(40)	167,662

NOTES TO THE FINANCIAL STATEMENTS

20. REVENUE (CONT'D)

(a) Disaggregation of revenue (Cont'd)

	Trusted identification RM'000	Other divisions RM'000	Total RM'000
Group			
2025			
Major goods or services:			
Sales of goods	116,917	14	116,931
Maintenance and services	8,982	-	8,982
Construction contracts	-	794	794
Concession arrangements	94,294	-	94,294
	220,193	808	221,001
Timing of revenue recognition:			
At a point in time	116,917	14	116,931
Over time	103,276	794	104,070
	220,193	808	221,001

(b) Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less. Also, the Group does not disclose information about remaining performance obligations that have original expected durations of more than one year as it is impractical to disclose.

21. FINANCE COSTS

	Group	
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000
Interest expenses on:		
- invoice financing	**56**	-
- lease liabilities	**2**	7
- others	**261**	293
	319	300

22. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Group		Company
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000	10.4.2025 to 31.3.2026 RM'000
Auditors' remuneration - statutory audit:			
- Baker Tilly Monteiro Heng PLT	**444**	444	**115**
- Member firm of Baker Tilly International	**20**	19	**-**
Other services			
- Baker Tilly Monteiro Heng PLT	**10**	10	**10**
Amortisation of intangible assets	**-**	64	**-**
Bad debts written off	**-**	67	**-**
Depreciation of property, plant and equipment	**4,349**	4,150	**-**
Directors' fees	**742**	677	**209**
Directors' meeting allowances	**81**	72	**20**
Directors' remuneration:			
- salaries and other remuneration	**2,263**	2,645	**-**
- defined contribution plans and SOCSO	**129**	116	**-**
Dividend income	**-**	-	**(60,000)**
Deposit forfeited	**-**	(7,000)	**-**
Effect of accretion of interest on operating financial assets	**(411)**	(517)	**-**
Expenses relating to short-term leases	**178**	145	**25**
Gain on disposal of property, plant and equipment	**(40)**	(4)	**-**
Gain on disposal of a subsidiary	**-**	(1,872)	**-**
Impairment loss on:			
- goodwill on consolidation	**-**	12,000	**-**
- trade and other receivables	**4,888**	578	**-**
Interest income	**(5,378)**	(4,539)	**(311)**
Loss/(Gain) on foreign exchange:			
- realised	**7,296**	8,956	**-**
- unrealised	**(1,235)**	3,667	**-**
Net (reversal)/provision of inventories written down	**(7,637)**	7,723	**-**
Reversal of impairment loss on trade and other receivables	**(50)**	(723)	**-**
Staff costs:			
- salaries and other remuneration	**30,757**	29,196	**-**
- defined contribution plans	**2,931**	2,746	**-**

NOTES TO THE FINANCIAL STATEMENTS

23. INCOME TAX EXPENSE

The major components of income tax expense for the financial year/period ended 31 March 2026 and 31 March 2025 are as follows:

	Group		Company
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000	10.4.2025 to 31.3.2026 RM'000
Statements of comprehensive income			
Current income tax:			
- Current income tax charge	**5,620**	12,464	**74**
- Adjustment in respect of prior years	**(706)**	(1,755)	**-**
	4,914	10,709	**74**
Deferred tax:			
- Origination of temporary differences	**(845)**	(1,085)	**-**
- Adjustment in respect of prior years	**1,244**	-	**-**
- Revaluation of property, plant and equipment	**-**	(166)	**-**
	399	(1,251)	**-**
Income tax expense recognised in profit or loss	**5,313**	9,458	**74**

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year/period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

23. INCOME TAX EXPENSE (CONT'D)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000	10.4.2025 to 31.3.2026 RM'000
Profit before tax	**1,661**	33,367	**59,817**
Tax at Malaysian statutory income tax rate of 24% (2025: 24%)	**399**	8,008	**14,356**
Adjustments:			
Income not subject to tax	**(4,527)**	(2,119)	**(14,400)**
Non-deductible expenses	**6,092**	5,576	**118**
Tax effect on share of results of associates	**(5)**	12	**-**
Tax effect on share of results of joint venture	**-**	133	**-**
Utilisation of previously unrecognised tax losses	**2,962**	(93)	**-**
Adjustment in respect of current income tax of prior years	**(706)**	(1,755)	**-**
Adjustment in respect of deferred tax of prior years	**1,244**	-	**-**
Adjustment in respect of revaluation reserves	**(120)**	(292)	**-**
Effect of changes in tax rate	**(26)**	(12)	**-**
Income tax expense	**5,313**	9,458	**74**

NOTES TO THE FINANCIAL STATEMENTS

24. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per ordinary share

Basic (loss)/earnings per share are based on the (loss)/profit for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	1.4.2025 to 31.3.2026 RM'000	1.4.2024 to 31.3.2025 RM'000
(Loss)/Profit attributable for the financial year attributable to owners of the Company	**(3,618)**	23,752

	Unit'000	Unit'000
Weighted average number of ordinary shares for basic earnings per share	**815,727**	815,727^
Basic (loss)/earnings per ordinary share (sen)	**(0.44)**	2.91

^ *Represent ICB's weighted average number of ordinary shares as at 31 March 2025.*

(b) Diluted (loss)/earnings per ordinary share

The basic and diluted (loss)/earnings per ordinary shares are the same as the Company has no dilutive potential ordinary shares.

25. DIVIDENDS

	Group	
	2026 RM'000	2025 RM'000
Recognised during the financial period/year:		
Dividends on ordinary shares:		
- Single tier first interim dividend of 1.00 sen per ordinary share in respect of the financial year ended 31 March 2025, paid on 20 December 2024	**-**	8,157
- Single tier second interim dividend of 1.00 sen per ordinary share in respect of the financial year ended 31 March 2025, paid on 28 March 2025	**-**	8,157
- Single tier final dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 March 2025, paid on 24 October 2025	**4,078**	-
	4,078	16,314

26. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned at amortised cost.

	Carrying amount RM'000	Amortised cost RM'000
As at 31 March 2026		
Financial assets		
Group		
Operating financial assets	**3,952**	**3,952**
Trade and other receivables #	**59,068**	**59,068**
Cash and short-term deposits	**181,970**	**181,970**
	244,990	**244,990**
Company		
Trade and other receivables #	**90**	**90**
Cash and short-term deposits	**59,994**	**59,994**
	60,084	**60,084**
Financial liabilities		
Group		
Loans and borrowings	**(977)**	**(977)**
Trade and other payables *	**(192,285)**	**(192,285)**
	(193,262)	**(193,262)**
Company		
Trade and other payables *	**(286)**	**(286)**
As at 31 March 2025		
Financial assets		
Group		
Operating financial assets	5,437	5,437
Trade and other receivables #	94,881	94,881
Cash and short-term deposits	165,862	165,862
	266,180	266,180
Financial liabilities		
Group		
Loans and borrowings	(1,763)	(1,763)
Trade and other payables *	(198,016)	(198,016)
	(199,779)	(199,779)

Excluded advances to suppliers, value added tax refundable and withholding tax refundable.

* *Excluded sales and service tax and value added tax payable.*

NOTES TO THE FINANCIAL STATEMENTS

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not use derivative financial instruments to hedge certain exposures and do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and individual credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:
- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the con tractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:
- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by their carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables and contract assets by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

	Group			
	2026		2025	
	RM'000	%	RM'000	%
Trade receivables				
Trusted identification	**53,550**	**26**	90,683	38
Others	**1,426**	**1**	1,483	1
	54,976	**27**	92,166	39
Contract assets				
Trusted identification	**150,531**	**73**	146,510	61
	205,507	**100**	238,676	100

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables and contract assets have been grouped based on geographical region, shared credit characteristics and the days past due. The impairment losses also incorporate forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	Gross carrying amount RM'000	Impairment loss RM'000	Net balance RM'000
At 31 March 2026			
Group			
Contract assets	**150,531**	**-**	**150,531**
Trade receivables			
Current (not past due)	**7,990**	**-**	**7,990**
1 - 90 days past due	**13,257**	**-**	**13,257**
91 - 180 days past due	**9,623**	**-**	**9,623**
More than 181 days past due	**24,106**	**-**	**24,106**
Credit impaired (individually assessed)	**10,089**	**(10,089)**	**-**
	65,065	**(10,089)**	**54,976**
	215,596	**(10,089)**	**205,507**
At 31 March 2025			
Group			
Contract assets	146,510	-	146,510
Trade receivables			
Current (not past due)	14,027	-	14,027
1 - 90 days past due	9,628	-	9,628
91 - 180 days past due	14,945	-	14,945
More than 181 days past due	53,566	-	53,566
Credit impaired (individually assessed)	11,688	(11,688)	-
	103,854	(11,688)	92,166
	250,364	(11,688)	238,676

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

For trusted identification segment, as there are a few customers from different countries with different credit risk characteristics, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings for individual country, where applicable.

Included in trade receivables of the Group are amounts totalling RM50,101,386 (2025: RM80,699,491) due from 3 (2025: 3) of its significant receivables respectively.

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets are represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days to 60 days past due in making a contractual payment.

Some intercompany advances between entities within the Group are repayable on demand. For advances that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the advance is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the advance is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany advance.

Other than the credit-impaired other receivables, the Group and the Company consider these financial assets to have low credit risk. As at the reporting date, the Group and the Company did not recognise any loss allowance for impairment for other receivables and other financial assets other than those as disclosed in Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, lease liabilities, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds from operational collections to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

		Contractual cash flows		
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
Group				
At 31 March 2026				
Trade and other payables *	192,285	192,285	-	192,285
Invoice financing	977	977	-	977
	193,262	193,262	-	193,262
At 31 March 2025				
Trade and other payables *	198,016	198,016	-	198,016
Invoice financing	1,763	1,763	-	1,763
Lease liabilities	79	82	-	82
	199,858	199,861	-	199,861
Company				
At 31 March 2026				
Trade and other payables *	286	286	-	286

* *Excluded sales and services tax and value added tax payable.*

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as results of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales and purchases that are denominated in foreign currency) and the Group's net investments in foreign subsidiaries.

The Board of Directors has set up a policy that requires all companies within the Group to manage its treasury activities and exposures. The Group do not hedge its foreign currency exposure. In addition, the Group also take advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	Group	
	2026 RM'000	**2025 RM'000**
Financial assets and liabilities not held in functional currencies		
Trade and other receivables		
United States Dollar	**47,851**	40,886
Euro	**12,520**	42,856
Others	**158**	-
	60,529	83,742
Cash and short-term deposits		
United States Dollar	**50,006**	52,319
Euro	**3,794**	2,652
Others	**401**	600
	54,201	55,571
Trade and other payables		
United States Dollar	**(61,181)**	(61,759)
Euro	**(6,818)**	(25,386)
Others	**(1,400)**	(1,754)
	(69,399)	(88,899)

NOTES TO THE FINANCIAL STATEMENTS

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD") and Euro.

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currencies, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in rate	Effect on profit for the financial year RM'000	Effect on equity RM'000
Group			
31 March 2026			
USD	**+10%**	**3,668**	**3,668**
	-10%	**(3,668)**	**(3,668)**
Euro	**+10%**	**950**	**950**
	-10%	**(950)**	**(950)**
Others	**+10%**	**(84)**	**(84)**
	-10%	**84**	**84**
31 March 2025			
USD	+10%	3,145	3,145
	-10%	(3,145)	(3,145)
Euro	+10%	2,012	2,012
	-10%	(2,012)	(2,012)
Others	+10%	(115)	(115)
	-10%	115	115

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as results of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from the loans and borrowings with floating interest rates. The Group does not hedge its interest rate risk.

26. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial year (2025: no transfer in either direction).

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

	Carrying amount	Fair value of financial instruments not carried at fair value			
		Fair value			
	Total	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
31 March 2026					
Financial assets					
Operating financial assets	**3,952**	**-**	**-**	**3,952**	**3,952**
31 March 2025					
Financial assets					
Operating financial assets	5,437	-	-	5,437	5,437

Level 3 fair value

<u>Fair value of financial instruments not carried at fair value</u>

The fair value of operating financial assets is determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

27. CONTINGENCIES

As disclosed in Note 31(ii) to the financial statements, the Group is currently involved in an arbitration proceeding with Kementerian Dalam Negeri ("KDN") arising from termination of National Integrated Immigration System Contract ("NIISe"). As the outcome of these litigations are not presently known, the financial impact cannot be estimated or ascertained with reasonable certainty. Should the outcome of the litigation be unfavourable to the Group, the Group will make the necessary provision.

NOTES TO THE FINANCIAL STATEMENTS

28. RELATED PARTIES

(a) Identity of related parties

Parties are considered related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

(i) Subsidiaries;
(ii) Associates; and
(iii) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Company 2026 RM'000	Group 2025 RM'000
Rental expenses		
Subsidiary	(25)	-
Management fee paid		
Subsidiary	(13)	-
Dividend income		
Subsidiary	60,000	-
Gain on disposal of a subsidiary		
Related party	-	1,872

(c) Compensation of key management personnel

	Group	
	2026 RM'000	2025 RM'000
Short-term employee benefits	**4,326**	4,743
Post-employment employee benefits	**314**	306
	4,640	5,049

29. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustment to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years/period ended 31 March 2026 and 31 March 2025.

The Group and the Company monitor capital using gearing ratio. The gearing ratio is calculated as total loans and borrowings divided by total equity. The gearing ratio as at the reporting date are as follows:

		Group		Company
	Note	2026 RM'000	2025 RM'000	2026 RM'000
Total loans and borrowings	18	**977**	1,763	**-**
Total equity		**377,761**	385,593	**314,146**
Gearing ratio		**<1%**	<1%	**N/A**

There was no change in the Group's and the Company's approach to capital management during the financial year/period.

The Group and the Company are not subject to any externally imposed capital requirement.

Gearing ratios are not governed by the MFRSs and their definitions and calculations may vary between reporting entities.

NOTES TO THE FINANCIAL STATEMENTS

30. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group Managing Director and the Group Finance Director for the purpose of making decisions about resource allocation and performance assessment.

The two reportable operating segments are as follows:

Segments	Products and services
Trusted identification division	e-Passports, e-Identification cards, payment, transportation and other related Trusted Identification's devices, equipments and services including consulting
Other divisions	Construction of buildings and modern integrated farms and provision of food and agro produce and equipment and other services and investment holding

Inter-segment pricing is determined on negotiated basis.

Segment profit

Segment performance is used to measure performance as the Group Managing Director and the Group Finance Director believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total segment asset is measured based on all assets (excluding investments in associates and tax recoverable) of a segment, as included in the internal reports that are reviewed by the Group Managing Director and the Group Finance Director.

Segment liabilities

Segment liabilities are not included in the internal reports that are reviewed by the Group Managing Director and the Group Finance Director. Hence, no disclosures are made on segment liabilities.

30. SEGMENT INFORMATION (CONT'D)

	Note	Continuing operations		Adjustments and eliminations RM'000	Total RM'000
		Trusted identification division RM'000	Other divisions RM'000		
2026					
Revenue:					
Revenue from external customers		167,702	(40)	-	167,662
Inter-segment revenue	A	-	-	-	-
		167,702	(40)	-	167,662
Results					
Operating results		54,228	(54)	-	54,174
Interest income		5,067	311	-	5,378
Other operating income		175	-	-	175
Depreciation and amortisation		(4,369)	-	20	(4,349)
Finance costs		(319)	-	-	(319)
Write back of payables and accruals		93	-	-	93
Net impairment losses on financial assets		(4,838)	-	-	(4,838)
Unrealised gain on foreign exchange		1,235	-	-	1,235
Administrative and operating expenses	B	(30,061)	(597)	-	(30,658)
Reportable segment profit/(loss)		21,211	(340)	20	20,891
Unallocated corporate expenses	B	-	-	(19,250)	(19,250)
Share of results of associates and joint ventures		20	-	-	20
Segment profit/(loss)		21,231	(340)	(19,230)	1,661
Income tax expense		(5,172)	(141)	-	(5,313)
Profit/(Loss) for the financial year	B	16,059	(481)	(19,230)	(3,652)
Assets:					
Investments in associates		682	-	-	682
Addition to capital expenditure		1,234	-	-	1,234
Segment assets	C	632,076	316,465	(361,518)	587,023

NOTES TO THE FINANCIAL STATEMENTS

30. SEGMENT INFORMATION (CONT'D)

	Note	Continuing operations		Adjustments and eliminations RM'000	Total RM'000
		Trusted identification division RM'000	Other divisions RM'000		
2025					
Revenue:					
Revenue from external customers		220,193	808	-	221,001
Inter-segment revenue	A	-	-	-	-
		220,193	808	-	221,001
Results					
Operating results		74,963	894	-	75,857
Interest income		4,539	-	-	4,539
Other operating income		1,742	-	-	1,742
Depreciation and amortisation		(4,607)	-	393	(4,214)
Finance costs		(300)	-	-	(300)
Forfeiture of income		7,000	-	-	7,000
Gain on disposal of a subsidiary		1,872	-	-	1,872
Impairment loss on goodwill on consolidation		(12,000)	-	-	(12,000)
Net impairment (losses)/ gain on financial assets		(69)	214	-	145
Unrealised loss on foreign exchange		(3,667)	-	-	(3,667)
Administrative and operating expenses	B	(12,914)	441	-	(12,473)
Reportable segment profit		56,559	1,549	393	58,501
Unallocated corporate expenses	B	-	-	(25,638)	(25,638)
Share of results of associates and joint ventures		(49)	553	-	504
Segment profit		56,510	2,102	(25,245)	33,367
Income tax expense		(9,195)	(263)	-	(9,458)
Profit for the financial year	B	47,315	1,839	(25,245)	23,909
Assets:					
Investments in associates		662	-	-	662
Addition to capital expenditure		3,328	-	-	3,328
Segment assets	C	699,995	1,798	(99,383)	602,410

30. SEGMENT INFORMATION (CONT'D)

Reconciliation of reportable segment revenue, profit or loss, assets and other material items are as follows:

A Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

B Reconciliation of profit or loss

	2026 RM'000	2025 RM'000
Unallocated other corporate expenses	**(19,250)**	(25,638)

C Reconciliation of assets

	2026 RM'000	2025 RM'000
Investments in associates	**682**	662
Inter-segment assets	**(362,200)**	(100,045)
	(361,518)	(99,383)

<u>Disaggregation of revenue by geographical information</u>

Revenue information based on the geographical location of customers are as follows:

	Trusted identification RM'000	Other divisions RM'000	Total RM'000
Group			
31 March 2026			
Malaysia	**33,496**	**(40)**	**33,456**
Asia	**21,786**	**-**	**21,786**
Oceania	**6,088**	**-**	**6,088**
Africa	**106,166**	**-**	**106,166**
North America	**166**	**-**	**166**
	167,702	**(40)**	**167,662**
31 March 2025			
Malaysia	41,011	808	41,819
Asia	10,780	-	10,780
Oceania	6,554	-	6,554
Africa	161,659	-	161,659
North America	189	-	189
	220,193	808	221,001

NOTES TO THE FINANCIAL STATEMENTS

30. SEGMENT INFORMATION (CONT'D)

Geographical information

Non-current assets (excluding financial instruments) information based on the geographical location of customers are as follows:

	Group	
	2026 RM'000	2025 RM'000
Non-current assets		
Malaysia	**161,880**	165,101

Information about major customers

For trusted identification segment, revenue from two customers (2025: two customers) approximately RM106,607,769 (2025: RM148,944,019) for the Group's total revenue.

31. MATERIAL LITIGATIONS

(i) Notice of Arbitration; IRIS Information Technology Systems Sdn. Bhd. ("IITS") against Kementerian Dalam Negeri ("KDN")

On 10 August 2023, KDN had issued a letter to terminate the National Integrated Immigration System Contract ("NIISe Contract"). IITS has on 24 November 2023, via its solicitors, filed a Notice of Arbitration ("NOA") under the Asian International Arbitration Centre ("AIAC") Arbitration Rules 2023 to refer the disputes with KDN arising from and in connection with the NIISe Contract to the AIAC for arbitration.

The hearing has concluded in December 2025. The Tribunal issued a Procedural Order in January 2026 in relation to the filing of submissions, and the parties have filed written submissions and written reply submissions in accordance with the said Procedural Order.

The arbitration had been scheduled for oral submissions in September 2026.

31. MATERIAL LITIGATIONS (CONT'D)

(ii) Writ of Summons and Statement of Claim; Tec D Distribution (Malaysia) Sdn. Bhd. ("Tec D") against IRIS Information Technology Systems Sdn. Bhd. ("IITS") and IRIS Corporation Berhad ("ICB")

Tec D had on 5 December 2023 commenced legal action in High Court against IITS ("1st Defendant") and ICB ("2nd Defendant") (collectively "Two Defendants") respectively claiming for an outstanding sum of RM30,139,099 together with late payment interest in relation to the supply of computer hardware and/or software and/or programs and/or services for the National Integrated Immigration System Contract ("NIISe") Project awarded by KDN and/or the Government of Malaysia.

The Two Defendants have filed and served their respective Statement of Defence on 4 January 2024. The 2nd Defendant has filed a Notice of Application for Striking-Out on 19 January 2024. Tec D has filed a Notice of Application for Summary Judgment against 1st Defendant on 23 January 2024. Tec D filed its Reply to the Defendants' Defence on 29 January 2024.

The High Court has dismissed the 2nd Defendant's Notice of Application for Striking Out and Tec D's Notice of Application for Summary Judgment respectively on 13 May 2024 and fixed full trial dates on 17 January 2028 – 20 January 2028 and 24 January 2028. On 9 September 2025, the trial dates fixed on 17 January 2028 – 20 January 2028 and 24 January 2028 have been vacated and the Court fixed new trial dates on 4 February 2026 – 6 February 2026 and 9 March 2026. The trial was concluded on 6 February 2026, and the trial date previously fixed for 9 March 2026 has since been vacated. The High Court has rescheduled the matter for decision from 12 April 2026 to 25 May 2026.

The High Court had, on 25 May 2026, entered judgment against the 1st Defendant for RM30,139,099. The High Court also entered judgement against the 1st Defendant for interest together with costs of RM80,000. The High Court dismissed the claimed against 2nd Defendant with cost of RM40,000.

The 1st Defendant had, on 3 June 2026, filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the High Court delivered on 25 May 2026. Tec D had, on 23 June 2026, served a Notice of Appeal on the 2nd Defendant's solicitors to appeal against the decision of the High Court delivered on 25 May 2026, whereby Tec D's claim against the 2nd Defendant was dismissed.

The 1st Defendant had, on 25 June 2026, filed an application for stay of execution and enforcement of judgment entered against the 1st Defendant delivered on 25 May 2026 pending the disposal of the appeal ("Stay Application") at the High Court.

During the case management held on 9 July 2026, the High Court fixed the Stay Application for hearing on 24 September 2026.

In the Stay Application, the 1st Defendant had also applied for an ad interim stay of execution and enforcement of the judgment pending the full and final disposal of the Stay Application. The High Court had fixed a case management on 22 July 2026 for parties to address the ad interim stay application.

NOTES TO THE FINANCIAL STATEMENTS

31. MATERIAL LITIGATIONS (CONT'D)

(ii) Writ of Summons and Statement of Claim; Tec D Distribution (Malaysia) Sdn. Bhd. ("Tec D") against IRIS Information Technology Systems Sdn. Bhd. ("IITS") and IRIS Corporation Berhad ("ICB") (Cont'd)

During the case management held on 22 July 2026, the High Court had rescheduled the hearing of the Stay Application from 24 September 2026 to 1 September 2026. The High Court had also granted the 1st Defendant's application for an ad interim stay of execution and enforcement of the judgment until the hearing of the Stay Application on 1 September 2026.

(iii) Notice of Arbitration; Datamicron Systems Sdn Bhd ("Datamicron") against IRIS Information Technology Systems Sdn. Bhd. ("IITS")

On 23 May 2024, Datamicron served a Notice of Arbitration ("NOA") dated 21 May 2024 on IITS for an arbitral proceeding under the Asian International Arbitration Centre ("AIAC") Arbitration Rules 2023 for services rendered and software license fees in relation to the National Integrated Immigration System ("NIISe") project awarded by KDN and/or the Government of Malaysia.

The Parties have appointed the arbitrator, and the arbitration is scheduled for hearing between 17 November 2026 and 4 December 2026.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD

(a) Internal reorganisation

IRIS Corporation Berhad ("ICB") had on 18 April 2025, announced that it proposed to undertake the proposed internal reorganisation by way of a Members' Scheme of Arrangement under Section 366 of the Companies Act, 2016 ("Act") ("Scheme of Arrangement") comprising the following proposals:

- Proposed Share Exchange which entails the proposed exchange of 815,727,624 ICB Shares, representing the entire issued share capital of ICB, with 815,727,624 IRIS Group Berhad ("IRIS") Shares on the basis of 1 new IRIS Share for every 1 existing ICB Share held on the entitlement date to be determined later; and
- Proposed Transfer of Listing Status which entails the proposed assumption of the listing status of ICB by IRIS and the admission of IRIS to and withdrawal of ICB from the Official List of Bursa Securities with the listing and quotation of all IRIS Shares on the ACE Market of Bursa Securities. (collectively referred to as the "Proposed Internal Reorganisation").

In conjunction with the Proposed Internal Reorganisation, ICB had on 18 April 2025, entered into a Principal Scheme Agreement with IRIS for the purpose of the implementation of the Proposed Internal Reorganisation ("Scheme Agreement").

On 10 September 2025, ICB had entered into the Supplemental Scheme Agreement with IRIS to reclassify a specific condition precedent as set out in the Principal Scheme Agreement as a condition subsequent.

On 21 November 2025, the High Court has approved the Internal Reorganisation by way of a Members' Scheme of Arrangement under Section 366 of the Companies Act, 2016 for the Internal Reorganisation.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD (CONT'D)

(a) Internal reorganisation (Cont'd)

On 5 January 2026, the Proposed Share Exchange was completed. Consequently, ICB became a wholly owned subsidiary of the Company.

On 7 January 2026, the Proposed Transfer of Listing was completed.

Upon completion of the Proposed Transfer of Listing Status, ICB was delisted from the Official List of Bursa Securities and IRIS admitted to the Official List of Bursa Securities in place of ICB with the listing and quotation of the entire enlarged issued and paid-up share capital of IRIS on the ACE Market of Bursa Securities.

33. COMPARATIVE FIGURES

(a) Group

The acquisition of the entire issued and paid-up share capital of ICB by the Company is an internal reorganisation and does not result in any change in economic substance of the Group. Accordingly, the consolidated financial statements of the Company are a continuation of ICB Group and are accounted for as follows:

(i) The results of entities are presented as if the internal reorganisation occurred from the beginning of the earliest period presented in the financial statements;

(ii) The Company consolidated the assets and liabilities of the ICB Group at their pre-combination carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the internal reorganisation that would otherwise be done under the acquisition method;

(iii) No new goodwill is recognised as results of the internal reorganisation. The only goodwill that is recognised is the existing goodwill relating to the combining entities;

(iv) The retained earnings and other equity balances of the acquired entities immediately before the business combination are those of the Group; and

(v) Any differences between the consideration paid/transferred and the equity acquired are reflected within equity as capital reorganisation reserve or deficit.

The comparatives are not audited as the combined group was not in existence in the previous financial year.

(b) Company

There are no comparative figures presented as this is the first set of financial statements of the Company since its incorporation on 10 April 2025.

STATEMENT BY DIRECTORS
(PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016)

We, **DATO' POH YANG HONG** and **H'NG BOON HARNG**, being two of the directors of **IRIS GROUP BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 79 to 147 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of their financial performance and cash flows for the financial year/period then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

DATO' POH YANG HONG
Director

H'NG BOON HARNG
Director

Kuala Lumpur

Date: 27 July 2026

STATUTORY DECLARATION
(PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016)

I, **H'NG BOON HARNG**, being the director primarily responsible for the financial management of **IRIS GROUP BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 79 to 147 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

H'NG BOON HARNG
Director
MIA Membership No.: 15998

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 27 July 2026.

Before me,

Commissioner for Oaths
HADINUR MOHD SYARIF W761

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRIS GROUP BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IRIS Group Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year/period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 79 to 147.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and cash flows for the financial year/period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") as applicable to audits of financial statements public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year/period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (Cont'd)

Group

Goodwill (Note 4(a) and 7(a) to the financial statements)

The Group's goodwill amounted to RM88,000,000 as at 31 March 2026. The goodwill is tested for impairment annually. In performing the impairment assessment, the Group has identified the trusted identification segment as the cash generating unit to which the goodwill is allocated. We focused on this area because the assessment requires significant judgements by the directors on the discount rate applied in the recoverable amount calculation and assumptions supporting the underlying cash flows projections which include future sales, forecast growth rate, inflation rate, gross profit margins and operating expenses. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected.

Our response:

Our audit procedures focused on evaluating the cash flow forecasts and the Group's forecasting procedures which included, among others:

- reviewing the valuation methodology adopted by the Group;
- comparing the actual results with previous budgets to assess the performance of the business;
- understanding the key assumptions which include consideration of the current economic and business environment to assess their reasonableness and the achievability of the forecasts; and
- testing the mathematical accuracy of the impairment assessment.

Group and Company

Trade receivables, other receivables and contract assets (Note 4(b), 12 and 13 to the financial statements)

The Group and the Company have significant trade receivables, other receivables and contract assets as at 31 March 2026. We focused on this area because the directors made significant judgements over assumptions about risk of default and impairment losses provided. In making the assumptions, the directors selected inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward-looking estimates at the end of the reporting period.

Our response:

Our audit procedures included, among others:

- discussing with the Group's and the Company's management on the recoverability of the trade and other receivables and contract assets;
- understanding the major contracts and agreements with the customers, if any;
- obtaining confirmation of balances from selected receivables;
- obtaining the confirmation from legal advisors for the updates of the material litigation;
- checking subsequent receipts, customer correspondences and consideration of the level of activities with the customers on the recoverability with significantly past due balances; and
- understanding the reasonableness and calculation of impairment losses provided as at the end of the reporting period.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRIS GROUP BERHAD

(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRIS GROUP BERHAD

(Incorporated in Malaysia)

Other Matters

1. Without qualifying our report, we draw attention to Note 33 to the financial statements which states that the Group's comparative figures disclosed in the financial statements have not been audited.

2. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ong Teng Yan
No. 03076/07/2027 J
Chartered Accountant

Kuala Lumpur

Date: 27 July 2026