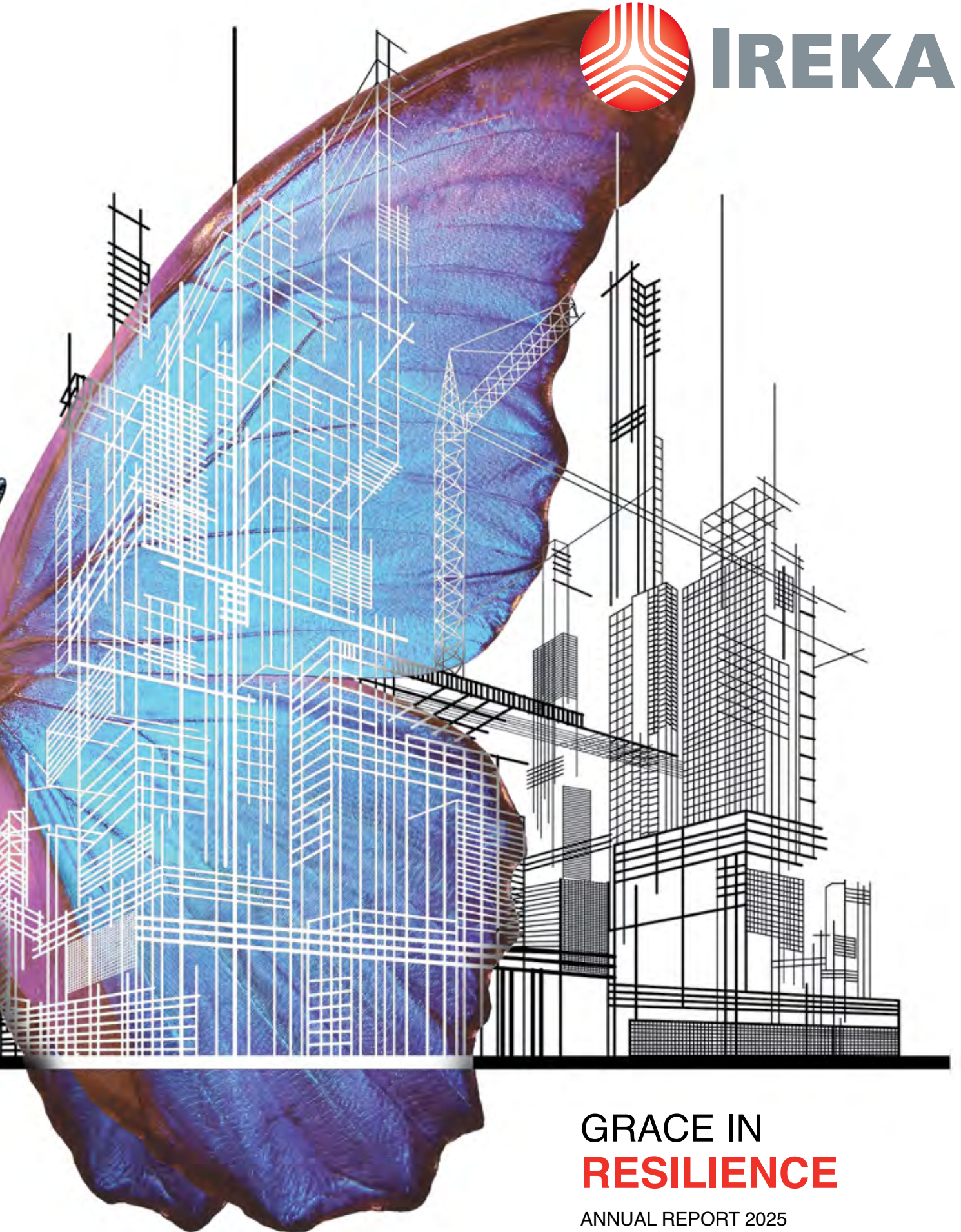




IREKA



GRACE IN
RESILIENCE

ANNUAL REPORT 2025



**WE
ARE
IREKA**

Cover Rationale

GRACE IN RESILIENCE

Like the butterfly, resilience is defined by the ability to adapt and emerge stronger through change. Each stage of transformation reflects composure, purpose, and steadfast strength; qualities that sustain progress even amid evolving landscape. In navigating challenges, we uphold the grace to evolve with integrity and the determination to move forward with clarity. It is this balance of strength and subtlety that continues to guide our journey, shaping a future built on enduring confidence and steady transformation.

VISION

To be a progressive and globally focused corporation which prides itself on proven track record in performance, reliability, excellence in quality and creativity in all products and services offered.

ABOUT US

Founded in 1967, Ireka Corporation Berhad has rapidly evolved into a progressive and integrated entity. Ireka's success story lies in its different business portfolios which co-exist to form a corporation that is synergised with complementary capabilities and multi-industry expertise. This provides a solid foundation for the Group to deliver fresh perspectives and innovative solutions, as well as creating value for all its stakeholders. Today, Ireka Group is actively involved in three core businesses: Construction, Property Development and Energy & Utilities.

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ABOUT

THIS REPORT



ONLINE VERSION

The online version of Ireka Corporation Berhad Annual Report 2025 is available on our website. Go to <https://ireka.com.my/> or scan the QR code with your smartphone.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- 1 **YBhg Tan Sri Dato' Mohd Ismail bin Che Rus**
Non-independent Non-executive Chairman
- 2 **YBhg Datuk Mohd Hasnul Ismar bin Mohd Ismail**
Group Managing Director
- 3 **Chairil bin Mohd Tamil**
Deputy Group Managing Director
- 4 **Chow Sung Chek Simon**
Executive Director

- 5 **Shahruladeri bin Mohamad Adnan**
Independent Non-executive Director
- 6 **Norhaizam binti Mohammad**
Independent Non-executive Director
(Appointed on 3 January 2025)
- 7 **YBhg Dato' Azmi bin Abdullah**
Senior Independent Non-executive Director
(Resigned on 11 December 2024)

AUDIT COMMITTEE

Chairman
Norhaizam binti Mohammad
Shahruladeri bin Mohamad Adnan

NOMINATION & REMUNERATION COMMITTEE

Chairman
Shahruladeri bin Mohamad Adnan
Norhaizam binti Mohammad

RISK MANAGEMENT COMMITTEE

Chairman
Shahruladeri bin Mohamad Adnan
Norhaizam binti Mohammad
Chairil bin Mohd Tamil

COMPANY SECRETARIES

Daud Bin A Majeed
(SSM PC No.:201908000282) (LS 0006578)
Muhammad Hazwan Bin Md Azmee @ Azmi
(SSM PC No.: 201908000869) (MIA 43997)

COUNTRY OF DOMICILE & INCORPORATION

Malaysia

REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

Level 17, Wisma Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : +603-6411 6388
Fax : +603-6411 6383
Email : enquiry@ireka.com.my
Website : www.ireka.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor Darul Ehsan
Tel : +603-7890 4700
Fax : +603-7890 4670

STOCK EXCHANGE LISTING

Main Market Bursa Malaysia Securities Berhad
Stock Name: IREKA
Stock Code : 8834

AUDITORS

Baker Tilly Monteiro Heng PLT
Chartered Accountants
Baker Tilly Tower, Level 10, Tower 1
Avenue 5, Bangsar South City
59200 Kuala Lumpur

PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank Berhad
Al Rajhi Banking & Investment Corporation (Malaysia)
Berhad

CHAIRMAN'S STATEMENT



“

Dear Esteemed Shareholders,

On behalf of the Board of Directors,

I present to you the Annual Report of Ireka Corporation Berhad (“ICB” or “the Group”) for the year ended 30 June 2025 (“FY2025”). The Malaysian economy continue to be supported by robust domestic demand and economic activities in 2025. Nonetheless, the year was marked by challenging operating conditions for the property and construction industry in Malaysia with persistently high construction material costs and cautious sentiments. On the global front, uncertainty is on the rise driven by tariff developments, concerns over global growth and geopolitical tensions.

While our financial performance softened significantly amidst these headwinds, the Group remains committed to navigating this everchanging and challenging environment with prudence, focus and commitment to strive for excellence. Our journey of transformation continues, particularly in the competitive and evolving property development sector.

”

Mitigating Impact: A Year of Financial Prudence

In FY2025, the Group reported a revenue of RM32.4 million as compared to RM36.8 million in the previous financial year, representing a 11.9% reduction. However, it is important to note the significant progress in narrowing losses. The Group registered a lower net loss of RM20.3 million for FY2025, a substantial improvement compared to a net loss of RM67.6 million in the previous financial year. Further details on the Group's financial performance are provided in the Management Discussion & Analysis (“MD&A”) section of this Annual Report.

While we continue to operate under PN17 status, our focus remains firmly on progress that goes beyond regulatory compliance. We are committed to building long-term value and delivering meaningful, positive impact through responsible and sustainable property development within the communities we serve.

Our journey has not been without its challenges, particularly amid an evolving economic landscape and the shifting dynamics of the property and construction sectors. Yet, we remain steadfast in our determination to achieve our strategic goals. Guided by resilience and adaptability, we view every challenge as an opportunity for renewal, growth, and transformation.

Strategic Transformation for Sustainable Growth

On 15 August 2025, the Company submitted a sixth Extension of Time (“EOT”) application to Bursa Securities, requesting an additional six months (until 28 February 2026) to finalise and submit the proposed Regularisation Plan. We regret to inform that Bursa Securities had rejected the extension on 25 September 2025. Further to the rejection, Bursa Securities has issued a Notice of Suspension and Delisting setting out the following directives:

- (a) Trading in the securities of ICB will be suspended with effect from 3 October 2025; and
- (b) Securities of ICB will be delisted on 7 October 2025 unless appeal is submitted on or before 2 October 2025.

The Company had submitted the appeal on 2 October 2025 and is currently awaiting Bursa Securities' decision.

We have demonstrated that we are very committed in our efforts to exit PN17 status despite numerous challenges. Efforts have been made to secure a stronger financial position, ensuring long-term viability of the Group. To this end, a series of strategic initiatives have been rolled out over these years designed to revitalise our business.

CHAIRMAN’S STATEMENT

Strategic Transformation for Sustainable Growth (Cont’d)

KAF Investment Bank Berhad on behalf of the Company had via its letter dated 18 December 2024 sought Bursa Securities’ consent for ICB to undertake the Proposed Redeemable Convertible Preference Shares (“RCPS”) Variation and Extension and the Proposed Private Placement as interim proposals prior to the Proposed Regularisation Plan to be undertaken by the Company. Bursa Securities had reverted on 15 January 2025 stating that it has no objection for the Company to undertake the interim proposals. ICB had via the Extraordinary General Meeting held on 28 February 2025, obtained its shareholder’s approval for the Proposed RCPS Variation and Extension.

We are pleased to update that the Company has received offers to subscribe for a private placement of 22,778,375 shares, representing 10% of the total issued shares of ICB at a subscription price of RM0.30 per placement share. This amounts to a total subscription value of RM6,833,512.50.

For the RCPS, Fairfax Ventures Ltd (Fairfax) has now agreed to immediately subscribe the final 2 (two) tranches, Tranche 4 and Tranche 5, of the RCPS, amounting to RM22,536,000.00 per tranche. The commitment of Fairfax is subject to ICB obtaining the approval of Bursa Securities on ICB’s appeal for a further extension of time to submit its regularisation plan.

As a continuation of the interim proposal, Fairfax will then proceed with the proposed conversion of up to 45,072,000 existing RCPS of RM1.00 each amounting to 112,680,000 ordinary shares of ICB. The Proposed Conversion will increase the capitalisation of the Company and further strengthen the financial position of ICB.

Transforming Vision into Value: Project Successes

Our ongoing development projects have made significant progress even under difficult conditions. The KaMi Residences project was fully completed, with the Certificate of Completion and Compliance (CCC) and Vacant Possession (VP) successfully delivered in June 2024. Meanwhile, the DWI@Rimbun Kasia project is on track for completion in the first quarter of 2026, with approximately 83.95% of the physical work completed as of 29 September 2025.

The successful completion and progress of these projects reflects our unwavering commitment to excellence in property development. These accomplishments highlight our ability to meet critical deadlines and drive successful outcomes, reinforcing our position as a trusted and reliable player in the property development industry. A more detailed write-up on both projects is included in the Property Development Division Performance Review section below.

Innovative Growth and Diversification

The Group continues to actively explore and pursue strategic ventures that align with our long-term objectives of sustainable growth, innovation, and market diversification.

Previously, the Group had secured a sub-contract for the Sabah Pan Borneo Highway Project Phase 1B (Pan Borneo Highway Project). This substantial project involves upgrading the road from Kampung Lumou Baru to Kampung Toupus and spans 48 months. FY2025 has been a year full of challenges. On 8 July 2025, Shoraka Construction Sdn Bhd (SCSB) received a notice from Gammerlite Sdn Bhd (GSB) proposing a mutual termination of the Letter of Award (LOA). SCSB is a wholly owned subsidiary of ICB. This proposal follows the termination of the Project Operation Agreement (POA) between MTD Construction Sdn Bhd (MTD) and GSB due to funding issues.

Moving forward, the Group had entered into a JV with Ukay Forest Development Sdn Bhd (UFDSB). This collaboration marks a pivotal step in ICB’s recovery roadmap, aimed at restoring sustainable revenue streams, enhancing project execution capabilities, and rebuilding stakeholder confidence. During the year, UFDSB has been awarded several letters of award for project opportunities involving the Malaysian Government and related agencies, positioning both parties to participate in both ongoing and future infrastructure development initiatives across the nation.

These ventures and contract awards reflect the Group’s strategic approach to seizing opportunities that support both short-term performance and long-term growth. They reinforce ICB’s ability to innovate, adapt, and create enduring value for our shareholders, partners, and broader stakeholder community.

Driving long-term value through strategic development

Looking into the future, the outlook for the property and construction sector remains promising, supported by national development priorities and evolving market needs. Malaysia’s Budget 2026 presents a promising landscape for the property and construction sector, with targeted initiatives aimed at enhancing housing accessibility, urban renewal, and infrastructure development. Particularly for developers, the introduction of a 10% special tax deduction (capped at RM10 million) for converting commercial buildings into residential units opens new avenues for urban regeneration. These measures, coupled with infrastructure spending and incentives for sustainable building practices, position the Group to seize emerging opportunities and deliver long-term value to our stakeholders through responsible and innovative property development.

MANAGEMENT DISCUSSION & ANALYSIS



FOR A BRIGHTER & SUSTAINABLE FUTURE

“

Dear Valued Shareholders,

The year 2025 was one of strategic recalibration and resilience for Ireka Corporation Berhad (“ICB” or “the Group”). As we enter 2026, the Group is focussed to finalise its Regularisation Plan, stabilize operations, and regain investor confidence.

Despite persistent macroeconomic headwinds—including global inflationary pressures, geopolitical instability, and tight monetary conditions—ICB remains steadfast in executing its turnaround strategy. Our efforts continue to focus on project recovery, cost optimisation, stakeholder engagement, and strategic partnerships. Through these initiatives, we are steadily steering the Group toward long-term growth and sustainability.

”

GROUP PERFORMANCE REVIEW

For the financial year ended 30 June 2025 (“FY2025”), the Group recorded notable improvements despite a challenging operating landscape. Heightened global uncertainties—ranging from elevated tariffs and inflationary pressures to geopolitical tensions involving the Israel–Palestine and Russia–Ukraine conflicts—disrupted supply chains, trade flows, and commodity prices. As a result, the International Monetary Fund (IMF) projected a modest global growth rate of 3.0% in 2025 (2024: 3.2%).

Malaysia’s Economic Performance

Domestically, the Malaysian economy demonstrated resilience. In the second quarter of 2025, GDP grew 4.4% year-on-year, supported by robust domestic demand and strong performance in the manufacturing and services sectors.

For the full year 2025, Bank Negara Malaysia forecasts GDP growth between 4.0% and 4.8% (2024: 4.8%–5.3%), driven by government-led digitalisation and infrastructure initiatives. Malaysia’s diversified economic base, net oil-exporter status, and strategic ASEAN position continue to reinforce national strength and stability.

MANAGEMENT DISCUSSION & ANALYSIS

OPERATIONAL HIGHLIGHTS

FY2025 presented numerous challenges. In relation to the Projek Lebuhraya Pan Borneo Sabah Fasa 1B (WP33), on 8 July 2025, Shoraka Construction Sdn Bhd (SCSB)—a wholly-owned subsidiary of ICB—received a proposal for mutual termination of its Letter of Award (LOA) from Gammerlite Sdn Bhd (GSB), following the termination of the Project Operation Agreement between MTD Construction Sdn Bhd (MTD) and GSB due to funding issues.

Additionally, delays in completing several development projects resulted in higher liquidated ascertained damages (LAD) and foreseeable losses. Nevertheless, the Group achieved meaningful progress during the year:

- Advanced completion of key development projects—KaMi Mont’ Kiara and DWI@Rimbun Kasia.
- Entered into a Joint Venture (JV) with Ukay Forest Development Sdn Bhd (“UFDSB”) to undertake strategic infrastructure and development projects.

These achievements collectively strengthened ICB’s foundation for sustainable recovery and long-term growth.

REVITALISING ICB’S CONSTRUCTION CAPABILITIES

In line with ICB’s strategic repositioning, the Group formalised an unincorporated joint venture—the Ireka-Ukay Forest JV—with UFDSB. This partnership marks a key milestone in restoring ICB’s construction capabilities and reinforcing its project delivery credentials.

Key Terms of the JV

- Equity Participation: ICB 30%, UFDSB 70%
- Scope: Joint execution and management of infrastructure and property development projects in Malaysia
- Structure: Unincorporated JV; ICB contributes project management and market access, while UFDSB provides financing, technical, and construction expertise

Initial Projects Under the JV

		Contract Sum (RM mil)
No	Description	
1	Proposed Mixed Commercial Development, Medini Iskandar, Johor	8.9
2	Upgrading of Sewerage System, Ketengah Jaya, Terengganu	33.0
3	Construction of Syariah Court Complex, Temerloh, Pahang	9.0
Total		50.9

These projects, valued at RM50.9 million, will enhance ICB’s order book and contribute positively to revenue in the coming years.

FINANCIAL PERFORMANCE

For FY2025, the Group recorded revenue of RM32.4 million (FY2024: RM36.8 million), primarily due to the completion of the KaMi Mont’ Kiara project in June 2024 and a downward revision of budgets for ongoing developments.

- Property Development: RM22.0 million (FY2024: RM36.7 million)
- Construction: RM10.2 million (FY2024: Nil)
- Trading & Services: RM0.2 million (FY2024: RM0.1 million)

Despite lower revenue, loss before tax reduced sharply to RM20.3 million (FY2024: RM67.6 million), reflecting effective cost rationalisation, enhanced project control, and improved operational management.

The Group undertook comprehensive and holistic exercises—recognising LAD and foreseeable losses in accordance with MFRS 15, whilst implementing cost reduction initiatives e.g. rental, manpower, and overhead cost reductions.

As at 30 June 2025, total assets stood at RM140.8 million (2024: RM182.6 million) while total liabilities decreased to RM273.1 million (2024: RM294.7 million). Consequently, net assets per share were negative RM0.58, with capital deficiency rising to RM132.3 million (2024: RM112.2 million).

The Group is actively pursuing new projects, mergers & acquisitions, and investor participation to strengthen its balance sheet.

PN17 STATUS UPDATE

ICB continues to operate as an Affected Listed Issuer under Practice Note 17 (PN17). The Group, together with its Principal Advisers have been formulating a Regularisation Plan for submission to Bursa Malaysia Securities Berhad (Bursa).

ICB had submitted a sixth Extension of Time (EOT) application to Bursa, requesting an additional six months (until 28 February 2026) to finalise the proposed Regularisation Plan.

On 25 September 2025, Bursa had rejected ICB’s EOT application and issued a notice of suspension and delisting. ICB has since filed an appeal (2 October 2025), temporarily deferring delisting pending outcome.

MANAGEMENT DISCUSSION & ANALYSIS

STRATEGIC INITIATIVES TOWARD FINANCIAL RECOVERY

To address PN17 status and restore financial health, the Group has implemented several key initiatives:

(A) Asset Monetisation

- Exploring asset disposals and joint developments to generate working capital.
- Serika Kajang: 4.1-acre freehold land owned by Regal Variety Sdn Bhd.
- Rimbun Kasia Township: Remaining parcels valued at approximately RM48.2 million, offering opportunities for future development or land sales.

(B) Business Development

- Through its subsidiary, Shoraka Power Sdn Bhd, ICB entered into a joint venture with E&H Energy Sdn Bhd, representing the Group's initial foray into the liquefied natural gas (LNG) sector. Owing to prevailing financial issues, the venture has been temporarily placed on hold pending further developments.

(C) Debt Restructuring & Cost Management

- Reduced headcount to 34 (2024: 44) through attrition and role optimisation.
- Downsized office space, achieving a 67% reduction in rental costs and improved resource efficiency.

(D) Fundraising

- Engaging potential investors for private placements of up to 10% of issued shares, pending PN17 plan approval.
- Negotiated favourable terms with creditors to improve liquidity.

DIVISIONAL PERFORMANCE REVIEWS

Construction Division

The construction industry outlook for 2026 remains positive, supported by sustained government expenditure (RM80–86 billion), strategic PPPs, and infrastructure projects under the 13th Malaysia Plan.

ICB, through the Ireka–Ukay Forest JV, continues to pursue new tenders and proposals aligned with the public–private partnership model.

Projects secured under the JV (RM50.9 million) are expected to strengthen the Group's cash flows and order book over the next 4–5 years.

Property Development Division

According to NAPIC, Malaysia recorded 420,545 property transactions worth RM232.3 billion in 2024 (2023: RM196.8 billion), indicating sustained market recovery.

ICB's Property Development revenue stood at RM15.1 million, largely from ongoing projects—KaMi Mont' Kiara and DWI@Rimbun Kasia.

- KaMi Mont' Kiara: Fully sold (168 units; net GDV RM204.3 million). CCC issued June 2024.



Aerial view of KaMi Mont' Kiara Residences

- DWI@Rimbun Kasia: 83.95% complete; targeted completion 1Q2026; 75% sold (286 units).



DWI@Rimbun Kasia - Actual site progress photo (October 2024)

The Group remains focused on affordable housing and green-living developments, aligning with government initiatives such as Perumahan MADANI and the Housing Credit Guarantee Scheme (SJKP).

Energy & Utilities Division

Malaysia's energy sector is undergoing transformation under the National Energy Transition Roadmap (NETR) and Budget 2026 initiatives.

MANAGEMENT DISCUSSION & ANALYSIS

FUTURE PROSPECTS

The IMF projects global growth at 3.0% in 2025, rising to 3.1% in 2026.

Malaysia's growth is expected to remain within 4.0–4.8% in 2025, supported by infrastructure investments and robust domestic demand.

ICB's strategic direction aligns closely with Budget 2026 priorities—infrastructure, affordable housing, and energy transition. With ongoing projects such as the Ireka–Ukay Forest JV, Rimbun Kasia, KaMi Mont' Kiara, and Serika Kajang, the Group is well-positioned for recovery.

ICB remains steadfast in its commitment to finalising Regularisation Plan, restoring operational normalcy, and rebuilding investor confidence.



“

APPRECIATION

On behalf of the management team, I extend heartfelt appreciation to our employees, customers, financiers, contractors, government agencies, and partners for their unwavering support.

Your continued confidence inspires us as we navigate challenges and rebuild Ireka toward a **stronger and more sustainable future**.

Thank you.

”

DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL

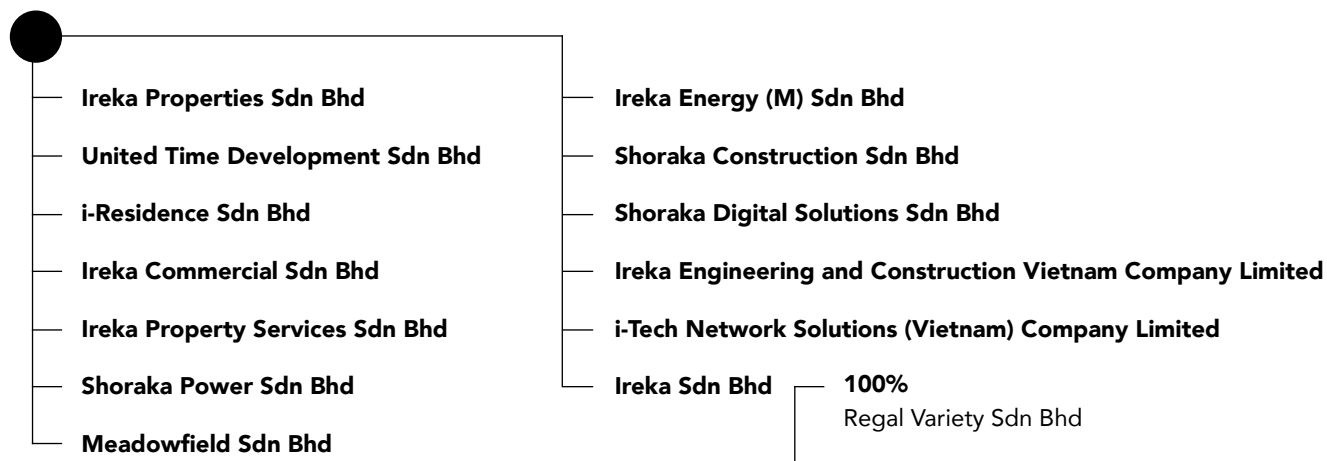
Group Managing Director

30 October 2025

CORPORATE STRUCTURE



100%



80%

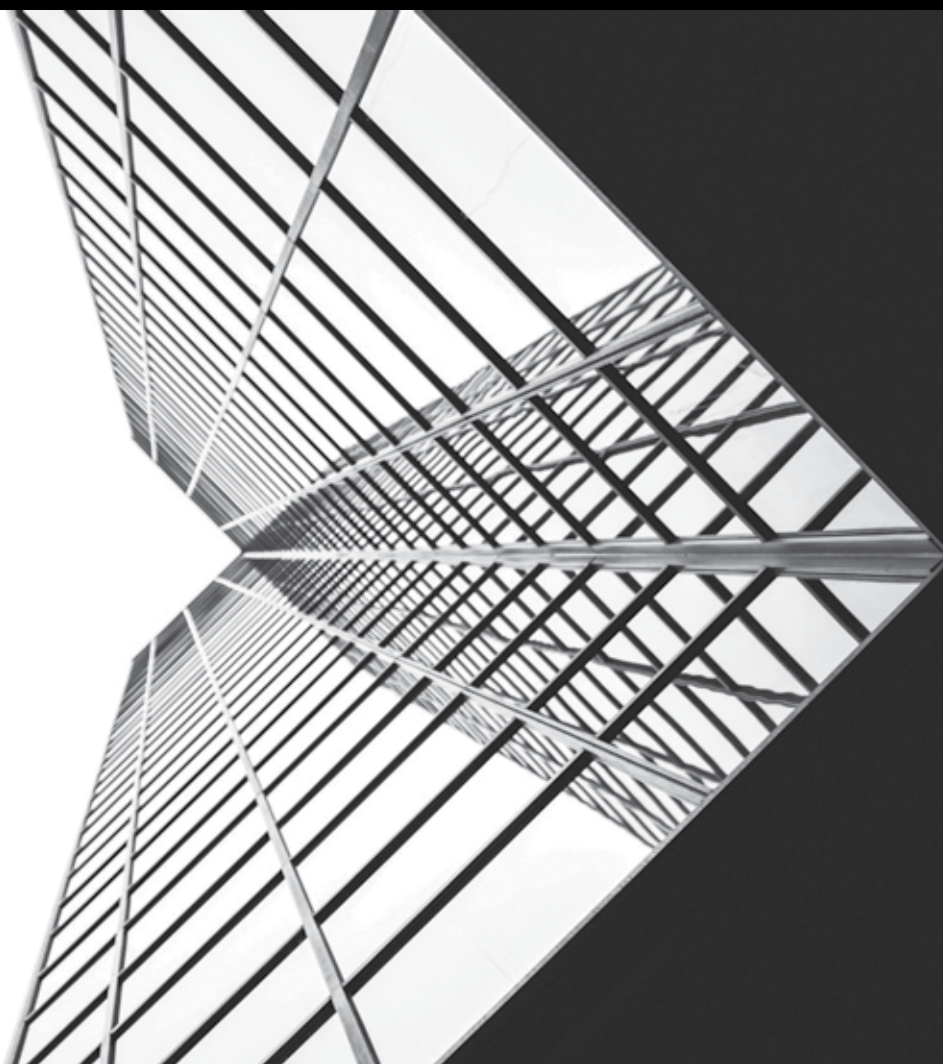


51%



5-YEAR FINANCIAL HIGHLIGHTS

GROUP	12 MONTHS to 31.03.21	15 MONTHS to 30.06.22	12 MONTHS to 30.06.23	12 MONTHS to 30.06.24	12 MONTHS to 30.06.25
IN RM'000					
Revenue	178,149	122,515	20,494	36,815	32,448
(Loss)/Profit before taxation	(27,029)	(165,485)	59,192	(67,591)	(20,267)
(Loss)/Profit attributable to owners of the Company	(26,684)	(166,480)	67,241	(59,561)	(19,069)
Issued share capital	181,288	207,729	207,729	207,729	207,729
Total equity/(Capital deficiency)	31,124	(107,441)	(44,914)	(112,165)	(132,348)
IN SEN					
Net tangible assets/(liabilities) per share	16.67	(47.17)	(19.72)	(49.24)	(58.10)



PROFILE OF DIRECTORS

YBHG TAN SRI DATO' MOHD ISMAIL BIN CHE RUS

Non-independent Non-executive Chairman

Date of appointment / 19 August 2021

Board Committee Membership:

- Nil



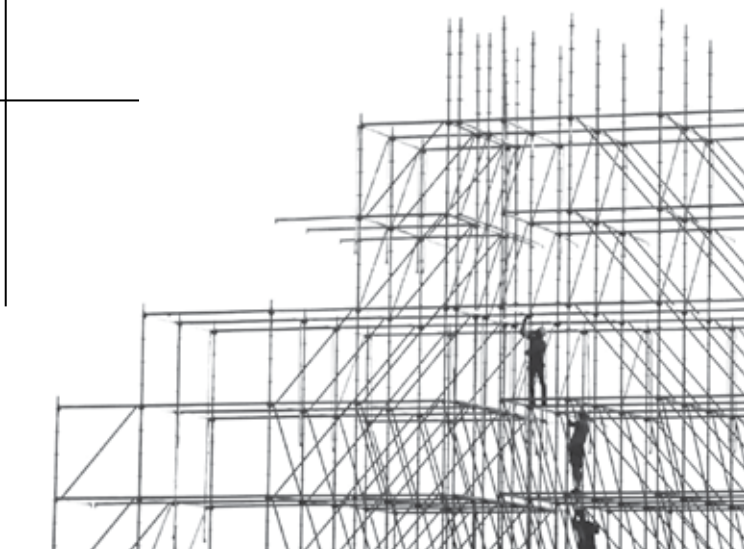
82 years



Male



Malaysian



YBhg Tan Sri Dato' Mohd Ismail bin Che Rus attended Command and Staff Courses at the Royal Malaysia Police College, Kuala Kubu Bharu, Selangor and studied Management of Training at the Royal Institute of Public Administration, London, United Kingdom and Post Graduate Senior Management at Institute for Development Policy and Management, University of Manchester, United Kingdom and Management of Crisis and Negotiation at Louisiana State University, Baton Rouge, United States of America. He graduated from Malaysia Armed Forces Defence College and awarded a Diploma with Military symbol 'MPAT'.

YBhg Tan Sri Dato' Mohd Ismail started his career with the Royal Malaysia Police as an Inspector in 1962 and was appointed to numerous command positions before appointment as Chief Police Officer for three states in Malaysia – Kelantan, Johor and the Metropolitan Police of Kuala Lumpur. Prior to his retirement, he held the rank of Commissioner of Police with the appointment as Director of Criminal Investigation Department, Bukit Aman, Kuala Lumpur.

He was previously a Senior Independent Non-Executive Director of Ancom Berhad, Nylex (Malaysia) Berhad, Selangor Dredging Berhad, Esthetics International Group Berhad and an Independent Non-Executive Director of New Britain Palm Oil Limited [NBPOL], Papua New Guinea.

He is the father of YBhg Datuk Mohd Hasnul Ismar bin Mohd Ismail.

Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

YBhg Tan Sri Dato' Mohd Ismail has no directorships in any public companies or listed issuers.

He has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). He also has not been convicted with any public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS



YBHG DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL

Group Managing Director

Date of appointment / 5 July 2021

Board Committee Membership:

- Nil



55 years



Male



Malaysian



YBhg Datuk Mohd Hasnul Ismar bin Mohd Ismail is the Co-Founder and Chairman of Shoraka Group of Companies, as well as the Partner of Shoraka Advisory Services, Dubai. He has over 25 years of experience in fund management, treasury and consultancy works within the ASEAN and MENA region. He has acted as advisor on many mergers, acquisitions and corporate finance mandates in a wide variety of industries. YBhg Datuk Mohd Hasnul started his professional career at the Investment and Treasury Department of the Central Bank of Malaysia. After leaving the Bank, YBhg Datuk Mohd Hasnul joined OUB-TA Asset Management Ltd, a Singapore-owned fund management company with fund size of more than US\$2 billion. In 2004, he was promoted to be the CEO of TA Investment Management, Malaysia. Ybhc Datuk Mohd Hasnul left the company in 2006 to set up Shoraka Advisory Services, Dubai.

YBhg Datuk Mohd Hasnul Ismar holds a BSc. (Hons) in Economics and Accounting from University of Bristol, UK and was a holder of Fund Manager's Representative License issued by the Securities Commission of Malaysia as well as License Director under the UK Financial Conduct Authority.

He is the son of YBhg Tan Sri Dato' Mohd Ismail bin Che Rus.

Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

YBhg Datuk Mohd Hasnul Ismar has no directorships in any public companies or listed issuers.

He has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). He also has not been convicted with any public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

CHOW SUNG CHEK SIMON

Executive Director

Date of appointment / 5 July 2021

Board Committee Membership:

- Nil



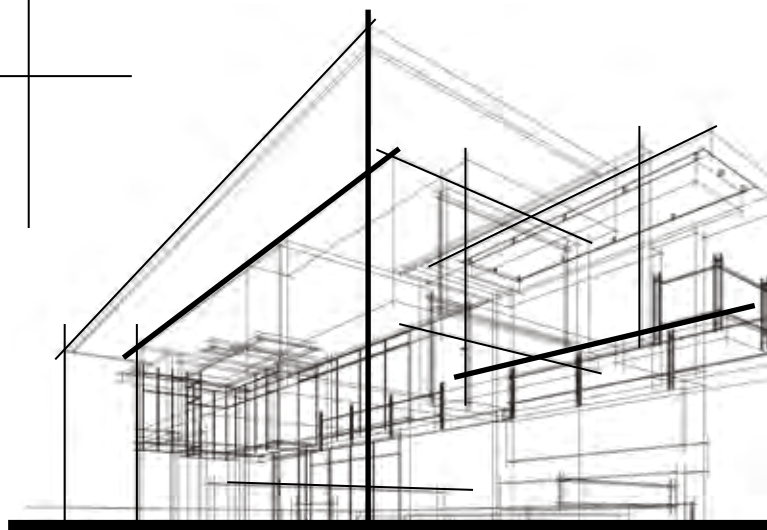
56 years



Male



Malaysian



Chow Sung Chek Simon joined Ireka Corporation Berhad as Chief Corporate Officer in July 2021. He was also appointed as Executive Director of Ireka Corporation Berhad on 5 July 2021. He graduated from Thunderbird School of Global Management, Arizona, USA with a Master of Business Administration, and from Flinders University, SA, Australia with a Bachelor of Commerce (Computer Science).

Chow Sung Chek Simon began his career as a stock broker 1993, and left to pursue his MBA after the Asian Financial Crisis in 1997. He then returned to Malaysia to lead a consultancy business which invested in domestic real estate from 2001 to 2006.

He commenced his foray into investments and asset management when he joined TA Investment Management Berhad as CEO from 2006 to 2008. Subsequently, he assumed the roles of CEO of CMS Trust Management Berhad (now known as Kenanga Investors Berhad) from 2008 to 2010, and Country Head/Executive Director of BNP Paribas Asset Management Sdn Bhd from 2010 to 2011. He then was Director at Amundi Malaysia Sdn Bhd from 2014 to 2018 before joining Bursa Malaysia Berhad as Executive Vice President, Securities Market in 2018. From 2019 to 2020, he was a member of the pioneering management team at BrioHR, a HR technology start-up with offices in Kuala Lumpur, Singapore and Paris.

Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

Chow Sung Chek Simon has no directorships in any public companies or listed issuers neither has any family relationship with any Directors and/ or Major Shareholders of the Company.

He has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). He also has not been convicted with any public sanctions and/ or penalties imposed by the relevant regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS



CHAIRIL BIN MOHD TAMIL

Group Deputy Managing Director

Date of appointment / 29 November 2021

Board Committee Membership:

- Member of Risk Management Committee



55 years



Male



Malaysian

Chairil bin Mohd Tamil joined Ireka as Chief Financial Officer on 5 July 2021. He has more than 25 years of experience in Investment Banking, Corporate Finance, Capital Markets and International Business, a successful career in various investment banks, commercial banks and consulting firms such as Arab-Malaysian Merchant Bank Berhad (Oct 1993 - Aug 1996), Perwira Affin Merchant Bank Berhad (Sep 1996 - Sep 1999), Commerce International Merchant Bankers Berhad (Sep 1999 - Sep 2000), Bank Muamalat Malaysia Berhad (Sep 2000 - Jan 2007), Shoraka Advisers Sdn Bhd (Feb 2007 - June 2010), Prokhas Sdn Bhd (July 2010 - Mar 2011) and Export-Import Bank of Malaysia Berhad ("EXIM Bank") (June 2011 - May 2018).

Chairil last served at EXIM Bank as Deputy President Business responsible for overseeing Banking Department, Credit Insurance Department and Product Development Department. During his tenure, EXIM Bank had received 3 awards from Project Finance International Magazine, The Banker and Euromoney for Asia Pacific Deal of the Year 2013 for an IPP Project in Indonesia. At EXIM Bank, he was a member of various management committees.

He had numerous speaking engagements locally and internationally. He was appointed by CIDB as one of the Panellist of Assessor for Malaysian Construction Industry Excellence Awards 2017 and 2018 (MCIEA) for International Achievement Award.

He holds a Bachelor of Science in the Joint School of Economics and Accounting from University of Bristol, United Kingdom.

Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

Chairil has no directorships in any public companies or listed issuers neither has any family relationship with any Directors and/ or Major Shareholders of the Company.

He has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). He also has not been convicted with any public sanctions and/ or penalties imposed by the relevant regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

NORHAIZAM BINTI MOHAMMAD

Independent Non-executive Chairman

Date of appointment / 3 January 2025
(Independent Non-Executive Director)

Board Committee Membership:

- Chairperson of Audit Committee
- Member of Nomination & Remuneration Committee
- Member of Risk Management Committee



52 years



Female



Malaysian



Pn. Norhaizam is a seasoned professional with over two decades of expertise in healthcare finance, strategic management, and corporate governance. Most recently, she served as the Chief Financial Officer of KPJ Healthcare Berhad, where she was instrumental in leading financial transformations, initiating digital innovations, and overseeing significant sustainability projects, such as Malaysia's first Sustainability Sukuk in the healthcare sector.

Her previous roles include Senior General Manager at KPJ Healthcare Berhad, where she drove financial growth and investor relations, and Manager at PricewaterhouseCoopers, where she led major audit and business assurance engagements.

Pn. Norhaizam also holds leadership roles in prominent organizations, including as President of the Malaysian Society for Quality in Health and Vice President of the Association of Private Hospitals. Her accolades include the Best Emerging Woman CFO in Healthcare Award (2022). She is an active member of the Malaysian Institute of Accountants (MIA) and the Chartered Institute of Management Accountants (CIMA).

Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

Pn Norhaizam has no directorships in any public companies or listed issuers neither has any family relationship with any Directors and/ or Major Shareholders of the Company.

She has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). She also has not been convicted with any public sanctions and/ or penalties imposed by the relevant regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS



SHahrulADERI BIN MOHAMAD ADNAN

Independent Non-executive Director

Date of appointment / 5 July 2021

Board Committee Membership:

- Chairman of Risk Management Committee
- Member of Audit Committee
- Member of Nomination & Remuneration Committee



49 years



Male



Malaysian

Shahruladeri bin Mohamad Adnan is currently the CEO and the Board Member of CIB Capital Limited, a Fund Manager regulated by the Labuan Financial Services Authority. He is also the Board Member to Credit Investment Bank Ltd. Shahruladeri was the Director of Business Development for the Labuan International Business and Financial Centre and the Director of Islamic Finance for the Dubai International Financial Centre Authority where he significantly involved in the financial centres' international business development focusing on international business establishments, Islamic finance, Capital Markets and Wealth Management activities.

Shahruladeri started his career with the Maybank Investment Bank (formerly known as Aseambankers Malaysia Berhad), with extensive work experience within the bank's Corporate Finance & Advisory department and Private Equity subsidiary.

He is an Associate of the Chartered Institute of Management Accountants (CIMA), UK and graduated from Kingston University, UK in Accounting and Finance.



Declaration under para 9.25 of the Bursa Malaysia, Main Market Listing Requirement:

Shahruladeri has no directorships in any public companies or listed issuers neither has any family relationship with any Directors and/ or Major Shareholders of the Company.

He has no conflict of interests with the Company or convictions for any offenses within the past five (5) years (other than traffic offenses). He also has not been convicted with any public sanctions and/ or penalties imposed by the relevant regulatory bodies during the financial year under review.

THE MANAGEMENT TEAM

1



DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL

Group Managing Director

YBhg Datuk Mohd Hasnul bin Mohd Ismail is the Co-Founder and Chairman of Shoraka Group of Companies, and partner of Shoraka Advisory Services, Dubai. In July 2021, he joined Ireka Corporation Berhad ("ICB" or "the Group") as Group Managing Director. YBhg Datuk Mohd Hasnul has over 25 years of experience in fund management, treasury and consultancy works within the ASEAN and MENA region. He has acted as advisor on many mergers, acquisitions and corporate finance mandates in a wide variety of industries. YBhg Datuk Mohd Hasnul began his professional career at the Investment and Treasury Department of the Central Bank of Malaysia (Bank Negara Malaysia).

After leaving the Central Bank of Malaysia, YBhg Datuk Mohd Hasnul joined OUB-TA Asset Management Ltd, a Singapore-owned fund management company, and was promoted to the Chief Executive Officer, TA Investment Management, Malaysia ("TA") in 2004. Subsequently, YBhg Datuk Mohd Hasnul left TA in 2006 to set up Shoraka Advisory Services in Dubai, United Arab Emirates.

2



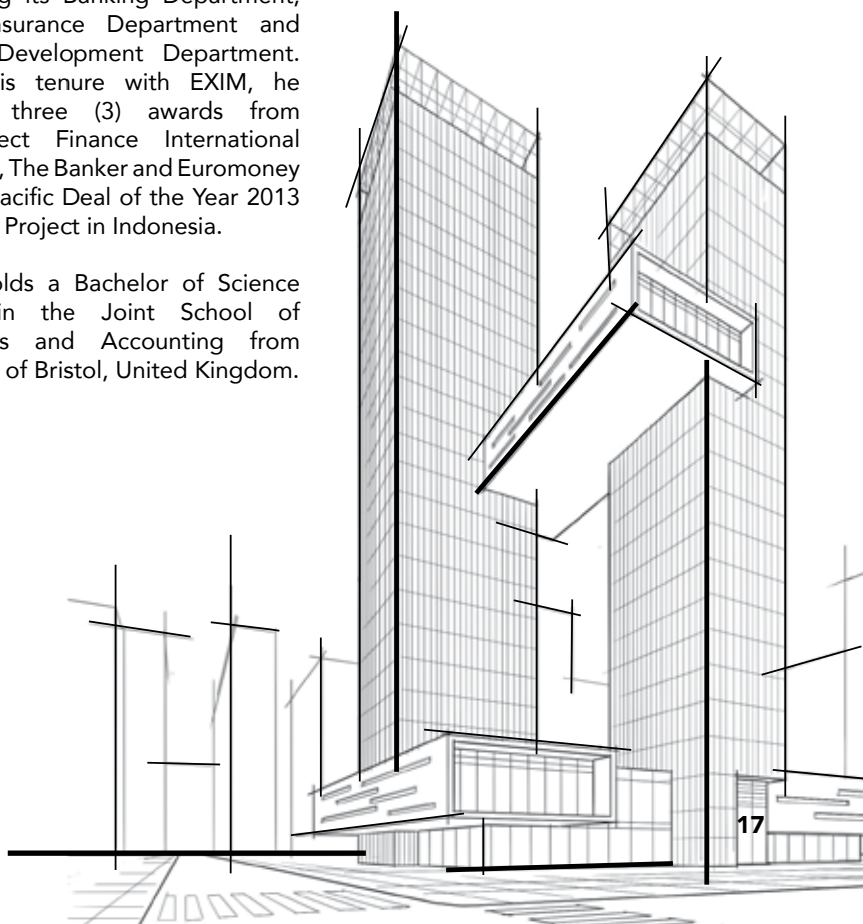
CHAIRIL BIN MOHD TAMIL

Group Deputy Managing Director

Chairil bin Mohd Tamil joined ICB as Group Chief Financial Officer in July 2021. As of 3 January 2023, he holds the position of Group Deputy Managing Director, with more than 25 years of experience in Investment Banking, Corporate Finance, Capital Markets and International Business.

Prior to Chairil joining ICB, he served as the Deputy President Business, EXIM Bank. He was responsible for overseeing its Banking Department, Credit Insurance Department and Product Development Department. During his tenure with EXIM, he received three (3) awards from the Project Finance International Magazine, The Banker and Euromoney for Asia Pacific Deal of the Year 2013 for an IPP Project in Indonesia.

Chairil holds a Bachelor of Science degree in the Joint School of Economics and Accounting from University of Bristol, United Kingdom.



THE MANAGEMENT TEAM

3



CHOW SUNG CHEK SIMON

Group Chief Operating Officer

Chow Sung Chek Simon joined ICB as Group Chief Corporate Officer in July 2021. As of 1 July 2022, Simon Chow holds the position of Group Chief Operating Officer for the company. He is also an Executive Director of ICB.

Simon Chow began his career as a stockbroker in 1993 and left to pursue his MBA after the Asian Financial Crisis in 1997. He returned to Malaysia to lead a consultancy business which invested in domestic real estate from 2001 to 2006. Simon Chow foray into investments and asset management began during his tenure as Chief Executive Officer at TA Investment Management Berhad from 2006 to 2008.

His subsequent roles were at CMS Trust Management Berhad (now known as Kenanga Investors Berhad), BNP Paribas Asset Management Sdn Bhd, Amundi Malaysia Sdn before joining Bursa Malaysia Berhad as Executive Vice President, Securities Market in 2018. Simon Chow took on a new role with BrioHR, as one of the pioneering management team in Kuala Lumpur in 2019, prior to joining ICB.

4

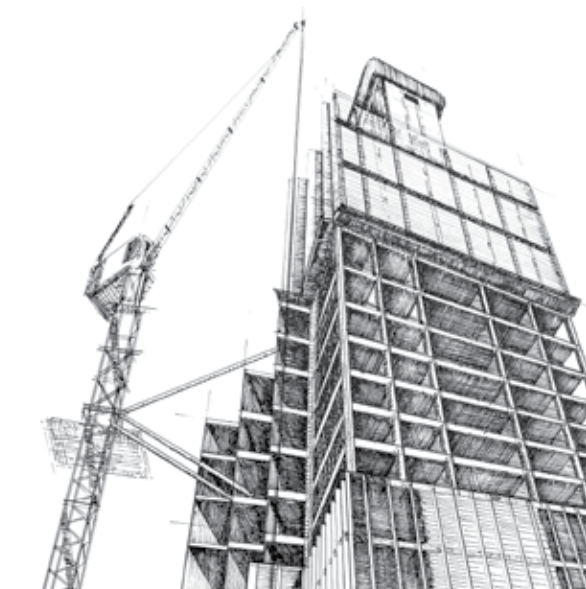


WAN AHMAD NAZIM BIN MOHAMED NOOR

Group Chief Business Officer

Wan Ahmad Nazim bin Mohamed Noor currently holds the position of Group Chief Business Officer for ICB. He joined Ireka as Group Chief Strategy Officer on 5 July 2021 and was responsible for putting in place various strategic business development initiatives and the positioning of ICB in the industry. All networking and relationship building efforts with Government agencies and Regulators are under his purview.

He has over 30 years of experience in the Malaysian capital markets and is a highly respected deal maker in the ASEAN region. Wan Ahmad Nazim's vast experience in the capital market, specifically in activities relating to investments, placements and fund-raising, has been an advantage to ICB.



THE MANAGEMENT TEAM

5



ANAS NASRUN BIN MOHD OSMAN

Group Chief Financial Officer

Anas Nasrun bin Mohd Osman currently holds the position of Group Chief Financial Officer for ICB.

He began his career in 1997 as an auditor with Arthur Andersen & Co., where he worked for over six years before transitioning into roles across diverse industries such as oil and gas, food, logistics, property, lubricants, aerospace, manufacturing, engineering, and construction.

With over 28 years of experience mergers and acquisitions, strategy, business development, sales & marketing, cost reduction initiatives and business turnaround, he has played a key role in driving profitability, enhancing shareholder value, expanding markets regionally,

and implementing cost-saving initiatives through restructuring, Value Analysis and Value Engineering (VAVE) - cost savings, automation, and strategic collaborations. He has initiated market penetration and market expansion regionally by creating brand awareness for products and services in Malaysia, the ASEAN region, and China via collaboration with new and existing dealers, distributors, and business partners.



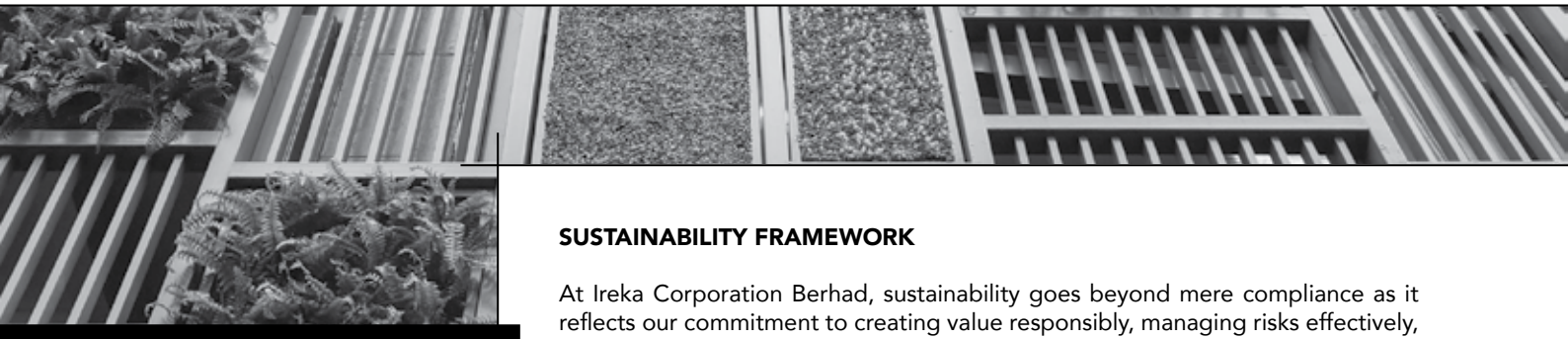
Notes:

Save as disclosed, the Management Team has no other directorships in public companies or listed issuers and any family relationship with any Directors and/or Major Shareholders of the Company.

None of the Management Team disclosed has:-

1. any conflict of interests with the Company;
2. any convictions for offences within the past five years (other than traffic offences, if any); and
3. any public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT



SCOPE AND BOUNDARY

This Statement covers the Group’s key sustainability activities and performance for the financial year ended 30 June 2025 (“FY2025”). It includes all business operations under the Construction, Property Development and Investment segments. Joint ventures and associated companies are excluded.

Prepared in reference to:

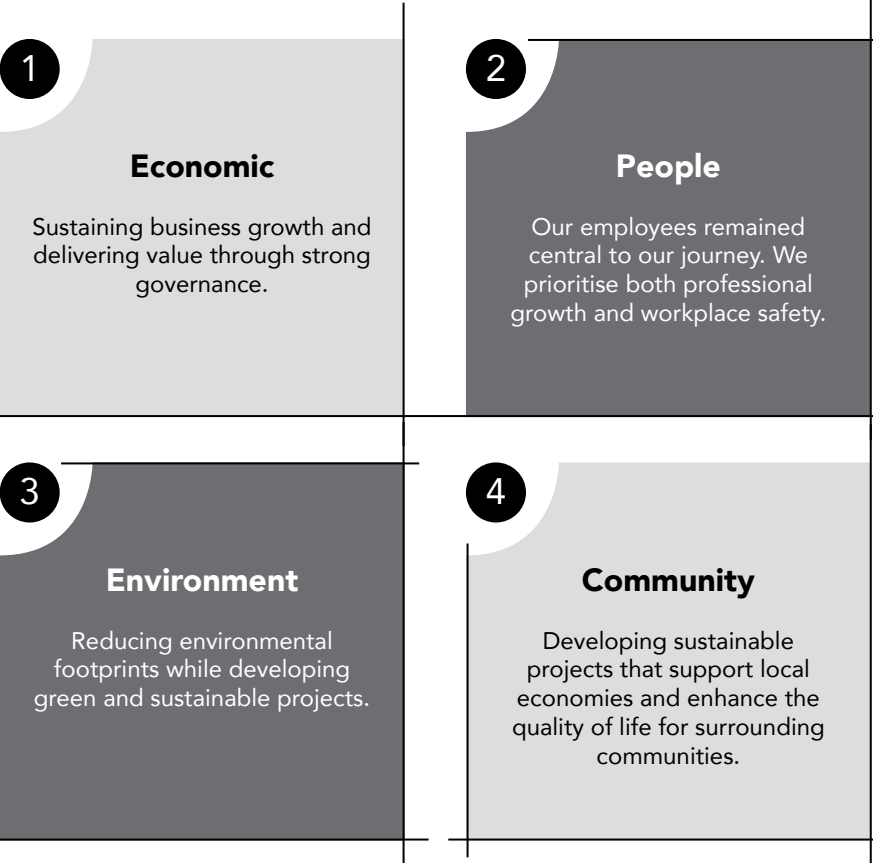
Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition)
Global Reporting Initiative (GRI) Standards
United Nations Sustainable Development Goals (UN SDGs)

SUSTAINABILITY FRAMEWORK

At Ireka Corporation Berhad, sustainability goes beyond mere compliance as it reflects our commitment to creating value responsibly, managing risks effectively, and ensuring that our progress benefits not only our shareholders but also our employees, customers, communities, and the environment. Over the years, we have come to understand that our long-term success depends on our ability to integrate sustainability into every aspect of our operations, from the way we build homes and infrastructure, to the way we care for people and safeguard the natural world.

The Group reaffirmed our commitment to a four-pillar Sustainability Framework: Economic, People, Environment, and Community. These pillars are not independent silos but interconnected priorities that reinforce one another. Strong governance and financial resilience allow us to invest in people; empowered employees deliver quality outcomes for customers and communities; thriving communities, in turn, create supportive environments for our projects; and a healthy natural environment underpins all economic and social progress.

The framework serves as a practical guide for our teams, giving structure to the way we plan, implement, and measure our sustainability efforts across projects and divisions.



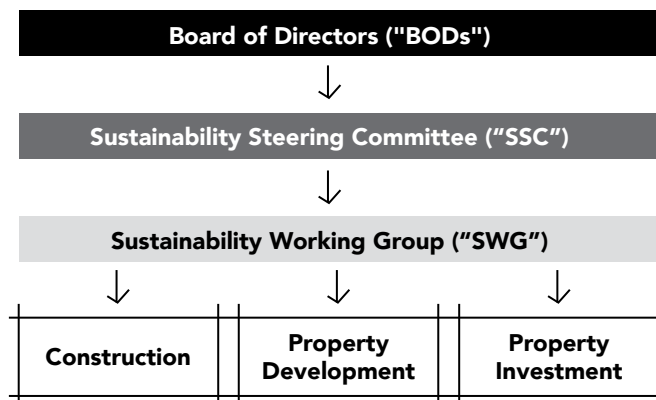
These four pillars serve as the foundation of our sustainability journey and align closely with the guidelines that are most relevant to our business.

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

Sustainability at Ireka is driven by a tone-from-the-top approach. The Board of Directors provides oversight and direction, ensuring that our sustainability strategy is integrated into decision-making. Supporting the Board is the Sustainability Steering Committee (SSC), which sets out priorities, while the Sustainability Working Group (SWG) translates these priorities into actionable programmes across our divisions.

This governance structure reflects our belief that sustainability is not a separate agenda but an essential part of how we do business, from ensuring workplace safety to building resilient communities.



STAKEHOLDER ENGAGEMENT

At Ireka, we recognise that open, transparent, and continuous engagement with stakeholders is essential to building trust and ensuring that our sustainability priorities remain relevant.

We strengthened our engagement efforts by providing clearer communication to the stakeholders, leveraging insights and feedback to strengthen our strategies and social responsibility

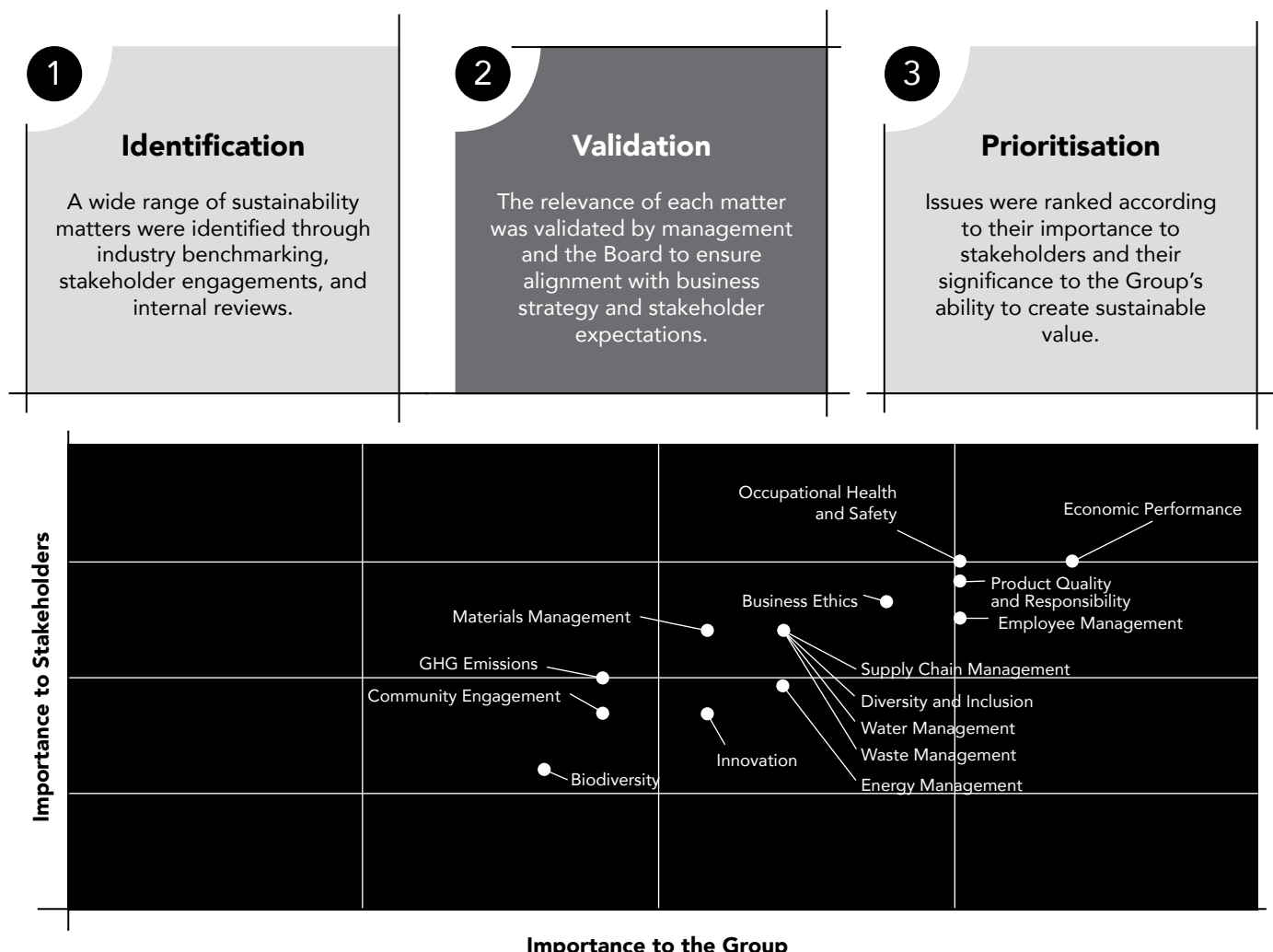
The table below summarises our key stakeholder groups, how we engage with them, and the actions we took during the year:

Stakeholder	Engagement Channel	Area of Interests	Forum of Responses
Investors & Shareholders	- Annual General Meeting - Annual report - Analyst briefings - Bursa announcements	- Financial performance - Business resilience - Sustainable dividend policy - Corporate governance	- Transparent reporting - Timely disclosures - Regular investor communications
Employees	- Townhalls - Company events and activities - Training programmes - Surveys	- Career development - Workplace safety - Work-life balance - Fair remuneration	- Training - Health & safety initiatives - Flexible work arrangements - Employee welfare programmes
Customers	- Customer service channels - Progress updates	- Product quality - Timely delivery - After-sales service	- Customer engagement - Improved feedback mechanisms - Quality assurance practices
Suppliers & Contractors	- Procurement processes - Supplier briefings - Performance reviews - Suppliers and products assessment	- Transparent tendering - Fair contract terms - Payment timelines - Compliance standards	- Supplier screening - Timely payments - Collaborative engagement
Communities	- Corporate website - Social responsibility programme - Volunteer opportunities	- Local economic opportunities - Sustainable development - Business opportunity - Employment opportunity	- Local hiring - Contractor engagement
Regulators & Government	- Compliance submissions - Site inspections - Consultations - Formal meetings - Emails and letters	- Legal compliance - Safety standards - Environmental requirements - Accuracy, transparency and disclosure	- Adherence to regulations - Engagement with regulatory bodies and government agencies
Media & Analysts	- Media release - Briefings	- Financial performance - Market presence - Business strategies	- Financial performance and results - Open communication

SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT

Materiality assessment guides how we allocate resources and prioritise initiatives that matter most to our stakeholders and to the Group's long-term success. The assessment process is based on three steps:



While Occupational Health & Safety and Economic Performance continue to rank highest in importance to both the business and stakeholders, the Company placed greater emphasis on strengthening financial resilience and governance as part of sustaining long-term value creation. At the same time, other matters remain highly relevant, alongside growing expectations on environmental management and climate action. Although these issues may not be prioritised at the very top of the matrix, they will not be overlooked, as the Group recognises the urgent need to address climate-related risks and opportunities while upholding social responsibility.

List of material matters:

Economic:	Environmental:	Social:
- Economic Performance - Ethical Business & Governance (anti-bribery, whistleblowing) - Product Quality & Responsibility - Innovation & Digitalisation - Supply Chain Responsibility	- Climate Change & GHG Emissions - Energy & Water Efficiency - Sustainable Materials & Waste Management - Biodiversity Protection	- Employee Development & Well-being - Occupational Health & Safety - Diversity & Inclusion - Community Engagement

SUSTAINABILITY STATEMENT

CONTRIBUTION TO THE UN SDGS

The Group aligns actions with relevant UN SDGs, including:



SDG 8:
Decent Work &
Economic Growth



SDG 9:
Industry, Innovation
& Infrastructure



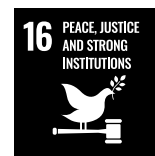
SDG 11:
Sustainable Cities &
Communities



SDG 12:
Responsible
Consumption &
Production



SDG 13:
Climate Action



SDG 16:
Peace, Justice &
Strong Institutions

ECONOMIC

The Group's approach to sustainability is anchored on a strong sense of economic responsibility, reflecting our commitment to delivering long-term value for stakeholders while contributing positively to the wider marketplace. Through ongoing engagement and continuous improvements, we remain focused on material matters under the economic aspect: Economic Performance, Business Ethics, Product Quality and Responsibility, Innovation, and Supply Chain Management. By strengthening these areas, the Group underscores its determination to uphold financial resilience, operate with integrity, and contribute to sustainable economic development.

1. Economic Performance

Sustaining robust economic performance remains fundamental to our ability to create value. Since our establishment in 1967, the Group has delivered a wide range of developments and projects that contribute to national growth and community progress. Our performance is closely tied to project delivery, and we place strong emphasis on forward planning to anticipate risks, set realistic goals, and adopt proactive mitigation strategies.

To strengthen resilience, the Group continues to pursue new projects, including collaborations with public and private partners, while exploring diversification into new sectors such as energy and digitalisation. These initiatives are designed to broaden revenue streams, enhance shareholder value, and ensure long-term business sustainability. Central to this is maintaining a culture of accountability, transparency, and sound governance, underpinned by strong inter-departmental collaboration and a focus on retaining and developing talent.



SUSTAINABILITY STATEMENT

2. Business Ethics

Sound business ethics and governance are essential to maintaining stakeholder trust and safeguarding the Group's reputation. We uphold high standards of integrity across all operations and adopt a zero-tolerance stance against fraud, bribery, and corruption. This commitment is reflected in our compliance with both local and international standards, ensuring that our practices support sustainable growth and responsible value creation.

Our corporate governance framework is reinforced by a robust suite of policies that address issues including anti-bribery and anti-corruption, whistleblowing, workplace conduct, and political neutrality. Compliance with Bursa Malaysia's Listing Requirements, the Malaysian Code on Corporate Governance 2021 (MCCG 2021), and other applicable laws remains a priority. The Group recognises that any lapse in ethical conduct can result in significant business, financial, and reputational risks, and therefore strives to maintain the highest level of discipline and vigilance.

Ethical Conduct & Corporate Integrity: Guided by the Code of Conduct and Ethics, we set clear standards for professional behaviour, ensuring respect, fairness, and accountability across the workplace.	Zero Tolerance for Corruption: Our Anti-Bribery and Anti-Corruption (ABAC) Policy, aligned with the Malaysian Anti-Corruption Commission Act 2018, requires regular training and company-wide awareness. No incidents of corruption were reported in the year under review.	Whistleblowing Policy: The Group's Whistleblowing Policy provides safe and confidential channels for reporting misconduct, with protections for whistleblowers. No reports were received in the year under review.
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3. Product Quality and Responsibility

The Group remains committed to ensuring that the quality of its products and services meets the expectations of stakeholders and end-users. Product excellence and customer satisfaction are central to building trust, strengthening brand reputation, and ensuring long-term business success. We continue to deliver projects with a focus on safety, functionality, and value, incorporating best practices in construction and design. Regular monitoring and customer feedback channels provide insights that help us improve and sustain high standards of delivery.

4. Innovation

Innovation is a cornerstone of our strategy, driving competitiveness and supporting economic resilience. While we remain focused on recovery and strengthening core operations, we continue to invest in modern construction practices, and sustainable design solutions. Through innovation, the Group aims to future-proof its operations while balancing short-term needs with long-term aspirations.

5. Supply Chain Management

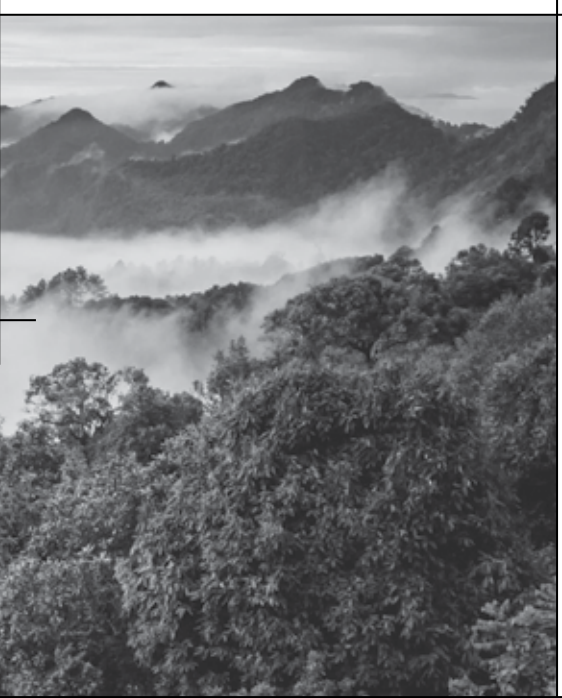
The Group recognises that its supply chain has a direct impact on economic growth and sustainability. To strengthen our role in local economic development, we continue to engage and prioritise local suppliers and contractors wherever possible, creating shared value within the communities in which we operate.

SUSTAINABILITY STATEMENT

ENVIRONMENT

Environmental stewardship remains a central part of the Group's sustainability commitment. We recognise that our operations, particularly in construction and property development, have direct and indirect impacts on the environment. As such, we strive to minimise these impacts through responsible practices, compliance with environmental laws, and the adoption of measures that preserve resources for future generations. Our approach to environmental management reflects our belief that the health of the planet is inseparable from the well-being of our communities and the continuity of our business.

The Group continues to integrate sustainability considerations in the operations, ensuring that development is carried out responsibly. Through effective resource management and continuous improvement, we aim to reduce our environmental footprint and promote a culture of environmental responsibility among employees and business partners.



Our ongoing and planned initiatives focus on several key areas:

1. GHG Emissions

The Group acknowledges the need to address climate change and its associated risks. We remain committed to managing and reducing carbon footprint through responsible practices across our operations.

2. Energy Management

Efficient energy use contributes not only to environmental preservation but also to operational efficiency. The Group places importance on optimising energy consumption through good practices and awareness among employees. Most of our energy use comes from purchased electricity at our headquarter. We continue to monitor energy usage and promote conservation habits, such as switching off unused equipment and implementing LED lighting and other energy-efficient systems. Going forward, we aim to further improve energy performance and explore renewable energy applications where feasible.

3. Materials Management

Responsible material management plays an important role in sustainable construction. The Group will continue to explore sustainable materials and implement waste-reducing methods in our operations.

4. Water Management

Water conservation remains a vital component of our environmental agenda. We practice responsible water management through initiatives such as rainwater harvesting, using pond water for cleaning, and ensuring efficient water use at all sites. Prior to project commencement, applications for municipal water supply are made to ensure proper resource allocation and compliance with local requirements. We continue to explore ways to minimise water wastage and improve water recycling practices, promoting sustainability across all operations.

5. Waste Management

The Group is committed to managing construction and domestic waste responsibly to prevent adverse impacts on the environment and the surrounding community. Our Main Contractors are required to adopt proper waste management systems that comply with environmental regulations. Waste segregation, recycling, and proper disposal are key practices, with licensed vendors engaged to handle scheduled waste such as used oil and chemical residues. These measures help reduce environmental impact, safeguard public health, and support compliance with national environmental standards.

6. Biodiversity

The Group recognises the importance of biodiversity conservation as part of our environmental responsibility. Most of our projects are in urban or previously developed areas, thereby avoiding primary forests and coastal ecosystems.

SUSTAINABILITY STATEMENT

SOCIAL

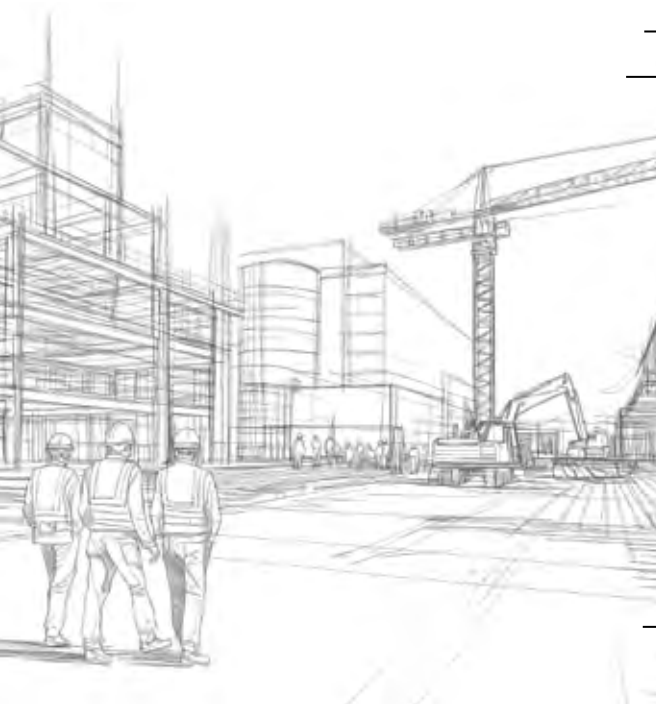
The Group recognises that our people are at the heart of our success. Their dedication, expertise, and passion form the cornerstone of our operations and drive our collective achievements. As part of our ongoing commitment to sustainability, we focus on building a resilient and inclusive organisation where every employee feels valued, safe, and supported.

We remain focused on four key social priorities, Employee Management, Occupational Health and Safety, Diversity and Inclusion, and Community Engagement, all of which underpin our social responsibility efforts and contribute to our long-term sustainability goals.

1. Employee Management

Our employees are our most valuable asset, and we continue to prioritise their well-being, engagement, and growth. The Group emphasises open communication and collaboration through regular townhalls, team-building activities, and social events that strengthen workplace relationships and foster unity. These engagements provide valuable feedback channels, helping management better understand employee needs and expectations.

We remain committed to ensuring competitive remuneration and benefits that recognise performance and loyalty. Employees enjoy comprehensive medical coverage, various leave entitlements, and flexible work arrangements designed to support work-life balance. By maintaining fair employment practices and encouraging open dialogue, the Group aims to attract, develop, and retain talented individuals who share our values and vision for sustainable growth.



SUSTAINABILITY STATEMENT



2. Occupational Health & Safety

The health and safety of our employees are important. The Group enforces strict compliance with occupational safety and health regulations to ensure a safe and hazard-free workplace.

We maintain a dedicated Emergency Response Team to oversee safety implementation across the Group. Regular hazard assessments help identify potential risks, while prompt incident response procedures minimise recurrence.

Health and wellness initiatives, including health screenings and mental well-being awareness, are also in place to promote a holistic approach to safety. Personal Protective Equipment (PPE) usage and compliance monitoring remain mandatory across all sites. We are pleased to report that there were no major safety incidents during the reporting period, reflecting our ongoing commitment to maintaining a safe working environment.

3. Diversity & Inclusion

The Group values diversity as a catalyst for creativity and innovation. Our workforce reflects a rich mix of talents, backgrounds, and perspectives, mirroring the diverse communities in which we operate. We are committed to creating an inclusive environment that promotes equality, respect, and fairness.

All employment decisions are based on merit, including hiring, promotion, and performance evaluation, without discrimination based on gender, age, ethnicity, religion, or nationality. We uphold the principles of UN SDG 5 (Gender Equality) and UN SDG 8 (Decent Work & Economic Growth) in our human capital practices. Women continue to hold important roles within the organisation, including management and professional positions.

In the year under review, there were zero cases of discrimination reported, underscoring our commitment to fair and equitable treatment for all employees.

4. Community Engagement

The Group continues to view community engagement as an integral aspect of our social responsibility. While our primary focus remains on organisational recovery and operational stability, we continue to engage with local communities through smaller-scale initiatives and collaborations that promote shared growth and mutual understanding.

Past efforts have focused on areas such as health, education, environmental awareness, and community well-being, themes we intend to build upon as resources allow. Although formal community programmes were limited during the year, the Group remains committed to re-establishing structured CSR activities in the future, with an emphasis on sustainable impact and employee participation.

We believe that business success is best achieved when it creates value for the communities around us. As such, we will continue to explore opportunities for meaningful partnerships and community involvement, aligning our social contribution with long-term development goals.



SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2025 (CONT'D)

Indicator	Measurement Unit	2025
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	70.5
Executive	Hours	10
Non-executive/Technical Staff	Hours	2.5
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	4
Non-executive/Technical Staff	Number	2
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	0.00
Executive	Percentage	0.00
Non-executive/Technical Staff	Percentage	0.00
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	71.92
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2025 (CONT'D)

Indicator	Measurement Unit	2025
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	2.70
Management Between 30-50	Percentage	24.32
Management Above 50	Percentage	8.11
Executive Under 30	Percentage	5.41
Executive Between 30-50	Percentage	32.43
Executive Above 50	Percentage	2.70
Non-executive/Technical Staff Under 30	Percentage	2.70
Non-executive/Technical Staff Between 30-50	Percentage	8.11
Non-executive/Technical Staff Above 50	Percentage	13.51
General Workers Under 30	Percentage	0.00
General Workers Between 30-50	Percentage	0.00
General Workers Above 50	Percentage	0.00
Gender Group by Employee Category		
Management Male	Percentage	8.11
Management Female	Percentage	24.32
Executive Male	Percentage	13.51
Executive Female	Percentage	27.03
Non-executive/Technical Staff Male	Percentage	18.92
Non-executive/Technical Staff Female	Percentage	5.41
General Workers Male	Percentage	0.00
General Workers Female	Percentage	0.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	100.00
Female	Percentage	0.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Supply Chain Management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	0.00

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Ireka Corporation Berhad ("Ireka") or ("the Company") is pleased to present this Corporate Governance Overview Statement ("Statement") for the purpose of providing the stakeholders with an overview of the extent of compliance by the Company with the three (3) Key Principles set out in the Malaysian Code on Corporate Governance 2021 ("the Code") for the financial year ended 30 June 2025. This Statement also serves in compliance with Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Corporate Governance Report is available on the website of Bursa Malaysia together with the Company's Annual Report for the financial year ended 30 June 2025 and is also posted on the Company's website at www.ireka.com.my.

The Board remains committed to ensuring that good corporate governance principles continue to be developed and implemented throughout the Ireka Group of Companies ("Ireka Group") with the ultimate objective of enhancing shareholders' values, whilst taking into account the interests of other stakeholders as well as generating long-term sustainability and growth.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Group is led by an effective Board which plays an important role in protecting and enhancing the interests of its shareholders and stakeholders. The Board is responsible for determining the direction of Ireka Group, thereby ensuring the long-term success of the Group and delivery of sustainable value to its stakeholders. The Board provides leadership and advice on corporate strategies, advocates good governance and ethical practices, and ensures the effective implementation of corporate strategies. The principal responsibilities include the following:

- reviewing and adopting strategic plans for the Group;
- supervising the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- identifying principal risks and ensuring the implementation of appropriate internal control and mitigation measures;
- managing human capital affairs, including appointing, training, determining compensation of and, where appropriate, replacing senior management;
- overseeing the relationship and communication with stakeholder for the Group; and
- reviewing the adequacy and integrity of the Group's internal control systems and management information systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

For the matters reserved beyond the Board's decision, the Board delegates the authority to implement the Group's strategies and manage the operations of the Group to the Group Managing Director and the Executive Directors who are supported by a capable Management Team. The Board has oversight on matters delegated to the Management whereby updates are reported at least on quarterly basis or as and when required. Non-executive Directors play key supporting roles, contributing knowledge and experience towards the formulation of policies and in the decision-making process. They provide relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring good practices of corporate governance are applied.

Where appropriate, the Board delegates matter to the Board Committees, namely the Audit Committee ("AC"), Nomination & Remuneration Committee ("NRC") and Risk Management Committee ("RMC") to examine specific matters within their respective Terms of Reference as approved by the Board. Although the Board delegates specific powers to the Board Committees, it remains informed about key issues and recommendations presented by each Board Committee through reports provided by the respective Chairman during Board meetings. The ultimate decision-making authority, however, rests with the Board.

Apart from formulating corporate strategies to enhance the shareholders' value, the Board is committed to drive and promote sustainable business practices covering economic, environmental and social aspects with a view to support the long-term viability of the Group, the details of which are disclosed in the Sustainability Statement of this Annual Report.

The Board Charter which sets out the functions, roles and responsibilities of the Board as well as the various internal processes and principles governing the Board has been adopted to guide the Board to discharge its roles and responsibilities effectively. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board reviews the Board Charter periodically to keep it up to-date with changes in regulations and best practices to ensure its effectiveness and relevance to the Board's objectives. The Board Charter was last and recently reviewed on 29 August 2024, following the recommendations of Paragraph 15.01A of Bursa Malaysia Listing.

The Board Charter is available for reference at the Company's website at www.ireka.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

The Chairman and the Group Managing Director

There is a clear division of responsibilities between the Chairman and the Group Managing Director to ensure that there is a balance of power and authority. The Chairman is responsible for looking after the best interest of all shareholders by instilling good corporate governance practices, leadership and effectiveness of the Board, whilst the Group Managing Director has the responsibilities for the execution of the Group's strategies in line with the Board's direction, overseeing the business operations and driving the Group's businesses and performance towards achieving the Group's vision and goals.

Company Secretaries

The Board is supported by licensed Company Secretaries who is qualified to act under Section 235 and Section 241 (4) of the Companies Act 2016 ("the Act"). The Company Secretaries plays an important role in ensuring that the governance matters and Board procedures are adhered to and that the applicable laws and regulations are complied with.

The Company Secretaries keeps abreast of the evolving capital market environment, regulatory changes and developments in Corporate Governance through continuous training, and hence the Board is regularly updated and advised on new statutory and regulatory requirements, as well as the implications on the Group and the Directors in relation to their duties and responsibilities.

Board Meetings and Supply of Information

An annual corporate meeting calendar is prepared in advance and circulated to all Board members before the beginning of every calendar year which provides the scheduled meeting dates for the Board, Board Committees and Annual General Meeting ("AGM") to facilitate the planning of Directors' time. The Board is satisfied with the amount of time committed by the Directors in discharging their duties and responsibilities. All the Directors of the Company complied with the MMLR on the number of directorships held in the public listed companies, which is not more than five (5) directorships.

The Board meets at least five (5) times a year, with additional meetings being held as and when necessary. In the interval between board meetings, Board decisions for urgent matters are obtained via circular resolutions, of which sufficient information is attached in order to make an informed decision. During the financial year ended 30 June 2025, a total of five (5) Board meetings were held and the attendance record is as below:

Existing Directors	No. of Meetings Attended
YBhg Tan Sri Dato' Mohd Ismail bin Che Rus	5/5
Shahruladeri bin Mohamad Adnan	5/5
Norhaizam binti Mohammad	3/3
YBhg Datuk Mohd Hasnul Ismar bin Mohd Ismail	5/5
Chow Sung Chek Simon	5/5
Chairil bin Mohd Tamil	5/5
Director who departed during the financial year under review	
YBhg Dato' Azmi bin Abdullah (Resigned on 11 December 2024)	3/3

All the Directors have complied with the minimum requirement of at least 50% on the attendance of Board meetings during the financial year as stipulated in the MMLR of Bursa Malaysia.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

Board Meetings and Supply of Information (Cont'd)

All Board members are provided with agenda and board papers containing relevant documents and information prior to the Board meetings to ensure the Board members have reasonable time to review and consider the issues before participating in discussions and deliberations at the Board meetings. The Board papers include minutes of the previous meetings, updates on financial information, operational matters and corporate development activities of the Group. The Board Members have the right and duty to raise further enquiries where necessary. Members of the Management Team are invited to provide insight and furnish clarification on issues that may be raised by the Board. At the quarterly Board meetings, the Board reviews and discusses the business performance of the Group. All proceedings of the Board are recorded in the minutes of which are confirmed later by the Board on its accuracy and completeness. In the event where a potential conflict of interest may arise, it is mandatory for the concerned Board Member to declare his or her interest, and abstain from the decision-making process.

The Board, whether as a full Board or in their individual capacity, has access to all information pertaining to the Group's business affairs and right to seek independent professional advice, if necessary, at the Group's expense, in furtherance of their duties. Any request for independent professional advice from external consultants shall be raised for the consideration and consent of the Chairman. The Chairman shall authorise a Director or a Board member to source for the relevant advice from a suitable external consultant, based on the requirements of the Board.

In addition, all Directors have access to the advice and services provided by the Company Secretaries, who are responsible for ensuring that the Board meeting procedures, applicable rules and regulations are adhered to. The Directors may also seek advice from the Management on issues under their respective purview.

Code of Ethics and Conduct

The Board observes the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia ("Code of Ethics"). The Code of Ethics sets out the standard of conduct and ethical behaviours for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility. In order to inculcate good ethical conduct, the Group has established a Code of Conduct for employees which is encapsulated in the Group's Human Resource Policies. The Group communicates its Code of Conduct to all Directors and employees upon their appointment/employment and is deemed to be part of the Terms and Conditions of Service.

Anti-Bribery and Anti-Corruption Policy

The Company has an Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") in place. The ABAC Policy, reviewed on 29 August 2024 serves to provide guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business. The ABAC Policy is applicable to all employees, directors and any person who perform services for and on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group. The ABAC Policy is available on the Company's website.

Whistleblowing Policy

The Company reviewed its Whistleblowing Policy on 29 August 2024, by providing a dedicated channel to facilitate employees and members of the public to disclose any improper conducts, wrongdoings, corruption, fraud and/or abuse in accordance with the procedures provided under the said policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition

As of 30 June 2025, the Board comprises six (6) members which include the Non-Independent Non-Executive Chairman, two (2) Independent Non-Executive Directors ("INED") and three (3) Executive Directors. This composition meets the requirements of Paragraph 15.02(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, which stipulates that at least one-third of the Board must be independent directors.

The Board continues to uphold its responsibility to provide effective oversight and strategic guidance in the best interests of the Company. Independent Directors play a critical role in this regard, offering unbiased perspectives and robust challenge during deliberations. The Board is satisfied that the current balance between executive and non-executive members, including the representation of independent directors, supports objective decision-making and promotes strong governance practices.

During the financial year, Dato' Azmi bin Abdullah, who had served as a Senior Independent Non-Executive Director, resigned from the Board on 11 December 2024 upon reaching the nine (9)-year tenure limit for independent directors as prescribed under the Malaysian Code on Corporate Governance ("MCCG"). The Board records its appreciation for his dedicated service and valuable contributions during his tenure.

To ensure continuity in independent oversight, the Company appointed Puan Norhaizam binti Mohammad as an Independent Non-Executive Director on 3 January 2025. Her appointment also fulfills the mandatory requirement under the MMLR for public listed issuers to have at least one (1) woman director on the Board. Following her appointment, she assumed the role of Chairperson of the Audit Committee and also serves as a member of both the Nomination and Remuneration Committee ("NRC") and the Risk Management Committee ("RMC"). Her substantial experience in finance, governance, and risk oversight is expected to further strengthen the Board's effectiveness and the performance of its committees.

Board members are drawn from diverse professional disciplines, including business leadership, economics, finance, accounting, and trading. This breadth of expertise provides the Board with the necessary depth and versatility to effectively oversee the Group's operations and strategic direction. Further details of each Director's background, qualifications and experience are provided on pages 11 to 16 of this Annual Report.

The Board remains vigilant in ensuring that related party transactions are conducted independently and free from conflict of interest. All such transactions, including those falling under the shareholders' mandate for recurrent related party transactions, are subject to independent review and assessment by the Audit Committee to ensure they are in compliance with the MMLR. The Board is assured that no undue influence has impacted any such decisions during the financial year.

The Board operates in an environment that encourages open and constructive dialogue. The Chairman promotes a culture of inclusiveness, where every Director is encouraged to participate actively and contribute their perspectives. All matters brought before the Board are deliberated thoroughly, with collective decisions made based on informed discussion and broad consensus.

In reviewing the independence of the Independent Directors, the NRC conducted its annual assessment and concluded that the current Independent Directors continue to demonstrate independence in both character and judgment. The Board is confident in their ability to provide impartial and objective input into Board deliberations and decision-making processes.

The Board acknowledges the importance of diversity in enhancing its effectiveness. While merit, experience, integrity, and leadership capabilities remain central to the appointment process, the Board also considers other diversity factors, including gender, age, and professional background, to ensure a balanced and inclusive composition that reflects the needs of the Company.

Looking ahead, the NRC continues to adopt a structured and objective approach in identifying suitable Board candidates. This includes drawing from various sources such as internal recommendations, industry networks, professional associations, independent search firms, and regulatory directories.

While the Group currently does not have a formal diversity policy in place for its workforce, it remains committed to creating an inclusive workplace. Recruitment and promotion decisions are guided by merit, with due consideration given to each individual's capabilities, regardless of gender, ethnicity, or age. The Group remains open to further strengthening diversity as part of its broader human capital strategy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Tenure of Independent Directors

Independent Directors play a crucial role in maintaining the integrity of Board deliberations by providing impartial and objective perspectives, safeguarding the interests of the Group and minority shareholders.

The Board acknowledges the Malaysian Code on Corporate Governance's recommendation under Practice 5.3, which suggests a cumulative tenure limit of nine (9) years for Independent Directors. Beyond this period, the Board is required to provide justifications and seek shareholders' approval annually should it wish to retain the Director as independent. Alternatively, the Director may continue serving in a non-independent capacity.

The Board believes that the independence of an Independent Director is not solely determined by tenure but by their ability to exercise unbiased judgment throughout their service.

Appointments to the Board

All Board appointments are approved by the Board, upon recommendation of the NRC. The NRC is made up exclusively of Independent Directors as below:

1. Shahruladeri bin Mohamad Adnan - *Chairman*
2. Norhaizam binti Mohammad
3. Dato' Azmi bin Abdullah (*Resigned 11 December 2024*)

The Terms of Reference of the NRC are available on the Company's website.

The NRC is responsible for identifying, recommending and recruiting candidates for directorships and also to fill vacancies at Board Committees. For new appointments to the Board, the NRC shall meet with the candidates to assess their suitability before formally considering and recommending the shortlisted candidate for appointment to the Board. In assessing the suitability of the candidates, the NRC shall consider the candidates' characters, experiences, competencies, integrity, time commitment and other qualities which the candidates would contribute to the overall desired composition of the Board. Based on the recommendation of the NRC, the Board will further evaluate and decide on the appointment of the recommended candidates.

In addition, an assessment mechanism is in place to continue assessing on an annual basis, the effectiveness of the Board as a whole and the Board Committees, and the contribution of each Director. The Board, through the NRC, reviews periodically the succession plans of the Board, its required mix of skills, experiences and other qualities, including core competencies, which Non-Executive Directors need to bring to the Board, and also make recommendations to the Board with regard to any changes. On the assessment conducted for the financial year ended 30 June 2025, it was indicated that there was a good balance in the composition of the Board, and the members of the Board possessed sufficient skills and experiences in discharging their duties and responsibilities and the level of independence demonstrated by the INEDs was satisfactory with the ability to act in the best interest of the Company. All Directors retiring pursuant to the Company's Constitution, and standing for election and re-election are assessed by the NRC before they are recommended for election and re-election by the shareholders at the AGM. All assessments and evaluations conducted by the NRC in the discharge of all its functions are properly documented.

Election and Re-election of Directors

In accordance with the Company's Constitution, an election of Directors shall take place each year and one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office provided that all Directors shall retire from office at least once in every three years, but shall be eligible for re-election. In addition, all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following annual general meeting and shall be eligible for election. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue serving the Board.

The election and re-election of each Director shall be voted separately. The Director who is seeking re-election at the forthcoming AGM is stated in the notice of the 49th AGM. The Board was satisfied with the performance of the Director and recommended his proposed re-election to be tabled for shareholders' approval at the forthcoming AGM. In order to assist the shareholders with their decision, the information on his personal profiles are provided on pages 11 to 16 of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Directors' Training & Attendance

Directors are mindful that they must continue to update their skills and knowledge to sustain their active participation in board deliberations and maximise their effectiveness during their tenure. In addition, the Company Secretaries updated the Directors of the changes to the MMLR and key corporate governance developments from time to time.

The Board will assess the training needs of the Directors and ensure they have access to continuing education programmes.

The Directors will continue to participate annually in relevant training programmes, courses, talks, conferences and seminars to stay updated on changes in laws, regulations and development in the industry in order to further enhance their skills and knowledge.

The Directors have attended the following training during the financial year under review:

Name of Director	Training Attended
YBhg Tan Sri Dato' Mohd Ismail bin Che Rus	DIRECTORS AND OFFICERS INSURANCE
Shahruladeri bin Mohamad Adnan	DIRECTORS AND OFFICERS INSURANCE
Norhaizam binti Mohammad	DIRECTORS AND OFFICERS INSURANCE
YBhg Datuk Mohd Hasnul Ismar bin Mohd Ismail	DIRECTORS AND OFFICERS INSURANCE
Chow Sung Chek Simon	DIRECTORS AND OFFICERS INSURANCE
Chairil bin Mohd Tamil	DIRECTORS AND OFFICERS INSURANCE

The talk titled "Directors and Officers Insurance", conducted by Perinsuran (Brokar) Sdn Bhd on 20 May 2025, provided the Board with a clearer understanding of D&O insurance as a key element of corporate governance, offering protection to directors and officers against personal liability arising from decisions made in their professional capacity.

The presentation covered the structure of D&O policies, key areas of coverage, such as legal defence costs, regulatory investigations, shareholder claims and common exclusions. It also highlighted recent Malaysian case studies that underscored the growing regulatory and litigation risks faced by directors of public listed companies. The session concluded with a tailored proposal for Ireka's consideration, underwritten by a reputable global reinsurer.

This training reinforced the importance of D&O insurance in enabling sound decision-making and safeguarding both individual directors and the company. It reflects the Board's commitment to continuous learning and upholding strong corporate governance practices.

III. Remuneration

The Board has deliberated and recommended a reasonable remuneration package for Directors for the consideration of the shareholders at the forthcoming AGM, so as to ensure it is sufficient to attract, retain and motivate the Directors to manage the Group successfully. The Board has structured the Executive Director's remuneration packages so as to link the rewards to the corporate and individual performance and to commensurate with their experiences, skills and responsibilities arising from their respective executive/management positions in the Group. In the case of INED, the level of remuneration reflects their experiences and level of responsibilities undertaken by the particular INED. They will be offered Directors' fees based on their responsibilities in the Board committees. In addition, all Directors are indemnified under a Directors' and Officers' Liability Insurance against any liability incurred by them in the discharge of their duties.

The Directors are not involved in deciding their remunerations. The Company reimburses reasonable expenses incurred by these Directors in the course of their duties as Directors. The Directors' fees and benefits payable to the Directors are recommended by the Board and approved by the shareholders at the AGM pursuant to Section 230(1) of the Companies Act 2016.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

The NRC reviewed the remuneration of the Executive Directors before recommending the same for the Board's approval. The Directors concerned were abstained from deliberation and voting on their own remuneration.

The remuneration of the Executive Directors is commensurate with their experience, skills and education and is benchmarked against industry standards. The Executive Directors' remuneration for the financial year ended 30 June 2025 is disclosed in the Corporate Governance Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Board aims to present a balanced, clear, and meaningful assessment of the Group's position and prospects in all reports to shareholders, investors, and regulatory authorities. This assessment is primarily conveyed in the Annual Report through the Chairman's Statement, Management Discussion & Analysis, annual financial statements, and quarterly results announcements via Bursa LINK. The Audit Committee ("AC") assists the Board in overseeing the Group's financial reporting by reviewing quarterly financial results and annual audited financial statements to ensure compliance with applicable financial reporting standards and the Companies Act 2016 before recommending them for Board approval and issuance to shareholders.

As of 30 June 2025, the AC comprises two (2) Independent Non-Executive Directors ("INEDs"). Following the resignation of YBhg Dato' Azmi bin Abdullah on 11 December 2024, who previously served as the acting Chairman of the AC, Puan Norhaizam binti Mohammad was appointed as the new Independent Non-Executive Director and Chairperson of the AC on 3 January 2025.

Both AC members possess strong financial and accounting expertise, complemented by extensive experience from serving on other boards, enabling them to fulfill their responsibilities effectively.

The Group acknowledges that the current composition of the AC does not meet the minimum requirement under Paragraph 15.09(1)(a) of the MMLR, which mandates at least three (3) INED members on the AC. However, Bursa Malaysia has granted the Company an extension of time until 27 December 2025 to comply with this requirement. The Company continues to actively seek suitable candidates to fill the vacancy, recognizing the challenges posed by its classification as a PN17 Listed Issuer, which carries significant obligations and responsibilities for directors, particularly AC members.

Despite the current position, an assessment was conducted regarding the performance of the AC and RMC through an annual evaluation. Based on the outcome of the evaluation for the financial year under review, the Board was satisfied with the performance of both the AC and RMC. Further information on the composition, attendance record and summary of activities of both the AC and RMC are presented in the Audit Committee Report and Statement of Risk Management and Internal Control respectively in this Annual Report.

Assessment of Suitability and Independence of External Auditors

The Company appointed Messrs Baker Tilly Montero Heng PLT ("the Auditors") on 25 May 2022. The Company maintained a transparent and professional relationship with the Auditors to enable them to independently report to the shareholders in accordance with the statutory and professional requirements, as established through the AC. The role of the AC members in relation to the Auditors is detailed in the Audit Committee Report of this Annual Report.

The AC assesses the performance, competency and professionalism demonstrated by the Auditors during the year. Prior to making a recommendation on the continuation of the incumbent Auditors, the AC performs an annual assessment on the objectivity, qualifications, expertise, resources and effectiveness of the Auditors. Any provision of non-audit services by the Auditors or their affiliate companies is reviewed to ascertain whether such provision of services would impair the Auditors' independence or objectivity. The AC also obtains written confirmation from the Auditors that they are and have been independent throughout the audit engagement in accordance with the relevant professional and regulatory requirements.

Having considered all of the above criteria, the AC recommends to the Board for Messrs. Baker Tilly Monteiro Heng PLT (AF 0117) to be re-appointed by the shareholders as the external auditors of the Company for the financial year ending 30 June 2026 at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. Risk Management and Internal Control Framework

The Board acknowledges its overall responsibility for the Group's system of risk management and internal control, which includes the establishment of an appropriate control environment and framework, as well as reviewing the integrity, effectiveness and adequacy of these systems to safeguard the Group's assets and protect shareholders' interests.

The Company has put in place an ongoing process for identifying, evaluating and managing significant risks that may affect the achievement of the Group's business objective. The RMC, established on 30 May 2022, has been delegated with the responsibility of overseeing risk management. The Board, through the RMC, reviews the identified key risks to ensure proper management and mitigation of risks within its control.

The Board recognises that the Group's Internal Audit function is an integral part of the assurance mechanism, ensuring that the Group's internal control system is adequate and effective. The Internal Audit function reports directly to the AC.

The Statement on Risk Management and Internal Control which provides an overview of the internal control framework within the Group is set out in the Company's Annual Report 2025.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Board values communications with shareholders and investors. These include various announcements made during the financial year, as well as the timely release of annual reports, circulars to shareholders, press releases, announcements of quarterly and annual financial results, which provide the shareholders with an overview of the Group's business and financial performances. The Executive Directors together with the Management may also hold meetings and interviews with investors and journalists to present update on the Group's strategy, performance, major developments and the launching of any new property developments.

In addition, the Group maintains a corporate website, www.ireka.com.my where the shareholders and investors can access up-to-date information at any time. In order to maintain transparency and effectively address any issues or concerns, the Group has provided a dedicated email address, enquiry@ireka.com.my to which stakeholders can direct their queries or concerns.

II. Conduct of General Meetings

The Board recognises the AGM as the principal forum for dialogue and interaction with shareholders. The Notice of AGM is sent out at least 28 days prior to the date of the meeting to ensure the shareholders have sufficient time to consider the resolutions that will be discussed and decided at the AGM.

At the AGM, the Board presents an overview of the Group's business performance to keep the shareholders informed and updated on current developments. All shareholders are encouraged to participate in the question-and-answer sessions. Shareholders are given the to ask questions and seek clarification on the business and affairs of the Company and the Group. All Directors will attend the general meetings unless there are unforeseen circumstances which preclude them from attending. All Directors of the Company have attended the previous 48th AGM held on 11 December 2024.

To enhance shareholder accessibility and convenience, the Company conducted its 48th AGM using a live streaming method with the Remote Participation and Voting ("RPV") system.

All resolutions outlined in the notice of the general meeting were voted on by poll. Shareholders who are unable to attend the general meeting may still cast their votes through their respective proxies. An independent scrutineer was appointed to verify the results of the poll. The outcome of all resolutions proposed at the general meeting were announced via Bursa LINK, indicating the number of votes cast for and against each resolution at the end of the meeting. The minutes of general meetings are available to the shareholders and the public for reference at www.ireka.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

KEY FOCUS AREAS AND FUTURE PRIORITIES

Moving forward, the Board remains committed to enhancing the Company's corporate governance framework by addressing any current deviations from the principles set out in the Malaysian Code on Corporate Governance ("MCCG") and other relevant regulations. The Board also aims to foster a strong culture of risk awareness and governance throughout the Group, prioritising the interests of all stakeholders:

- Enhancing gender diversity on the Board and in senior leadership roles to promote a more inclusive and balanced decision-making environment;
- Sustaining a robust talent pipeline with the necessary competencies and leadership potential to ensure effective succession planning and future-ready leadership; and
- Upholding the highest standards of corporate governance by continuously adopting the principles and best practices prescribed in the MCCG, the MMLR and other applicable laws and regulations, where relevant and appropriate.

This Corporate Governance Overview Statement and the Corporate Governance Report have been approved by the Board of Directors at the Board meeting held on 30 October 2025.

ADDITIONAL COMPLIANCE INFORMATION

(Pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid or payable for the services rendered to the Company and/or the Group by its external auditors, Messrs Baker Tilly Monteiro Heng PLT ("BTMH") or their affiliated companies for the financial year ended 30 June 2025 are as follows:

	Group (RM)	Company (RM)
Audit fees paid/payable to BTMH	373,000	146,000
Non-audit fees paid/payable to BTMH*	7,000	7,000
Non-audit fees paid/payable to affiliates of BTMH	32,700	14,100

* The non-audit fees paid or payable for the services rendered to the Company and/or the Group by BTMH consist of review of the Statement on Risk Management and Internal Control.

2. Material Contracts or Loans with Related Parties

There were no material contracts or loans entered into by the Company and its subsidiaries (not being contracts entered into in the ordinary course of business) which involved the interests of Directors and/or major shareholders, either still subsisting at the end of financial year ended 30 June 2025 or entered into since the end of the previous financial year.

3. Utilisation of Proceeds from Corporate Proposal

The Company did not raise any funds through any corporate proposal during the financial year ended 30 June 2025.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements, the Board of Directors ("the Board") of Ireka Corporation Berhad ("the Company") is pleased to present the Statement on Risk Management and Internal Control of the Company and its group of companies ("the Group") for the financial year ended 30 June 2025. This Statement has been prepared in accordance with Main Market Listing Requirements and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

Board Responsibility

The Board acknowledges its overall responsibility for maintaining an effective risk management and internal control framework throughout the Group. This responsibility encompasses oversight of risk management processes, ensuring that controls are in place to protect shareholder value and the Group's assets.

The Board recognises that a sound internal control system is a vital component of good corporate governance. In fulfilling this responsibility, the Board ensures that the framework takes into consideration a broad range of areas, including strategic direction, organisational structure, operational efficiency, legal compliance, and talent management with the aim of mitigating key risks that may hinder the Group's objectives.

Members of the Risk Management Committee

During the financial year ended 30 June 2025, the Risk Management Committee ("RMC") comprised the following members:

- 1) En Shahruladeri bin Mohamad Adnan
Chairman/Independent Non-executive Director
- 2) Puan Norhaizam binti Mohammad
Member/Independent Non-executive Director
- 3) YBhg Dato' Azmi bin Abdullah
Member/Senior Independent Non-executive Director
(Resigned on 11 December 2024)
- 4) En Chairil bin Mohd Tamil
Member/Executive Director

The RMC is tasked with overseeing the Group's risk management activities, with the objective of identifying, mitigating and preventing significant risks. During the year, the RMC's efforts were supported by the Risk Department, which provided independent reviews and assessments of the Group's risk management activities.

Additionally, during the financial year under review, the Company appointed KYAI Advisory Sdn Bhd as the caretaker of the Group's risk management function, further strengthening the Group's internal oversight capabilities.

Risk Identification & Assessment

The Board acknowledges that internal control and risk management systems have inherent limitations and are designed to manage, rather than eliminate, risks affecting the Group's ability to meet its objectives. Accordingly, such systems can only offer reasonable, not absolute, assurance against financial misstatements, losses, or irregularities.

The Group's risk management framework and internal control procedures do not extend to its associate companies and jointly controlled entities where it does not exercise full management control. Nevertheless, the Group maintains oversight through periodic financial reviews and representation at the board level in these entities.

In line with efforts to strengthen its internal governance, KYAI Advisory Sdn Bhd undertook a review of the Group's Risk Management Policy and Procedures on 25 August 2025. This review was aimed at ensuring the Group's risk management practices remain aligned with industry standards and regulatory expectations.

The Board is satisfied that the existing framework remains suitable and effective for the Group's operations during the financial year ended 30 June 2025 and up to the date of this Statement. The Board also received written assurance from the Group Managing Director and Group Chief Financial Officer that the internal control and risk management system has operated satisfactorily in all material aspects.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

Effectiveness of Risk Management and Internal Control

Throughout the financial year ended 30 June 2025 and up to the issuance date of this Statement, the internal control and risk management system remained in place and operated adequately across the Group's activities.

Although the Group encountered several key risks particularly with respect to its PN17 status and ongoing cash flow challenges, the management team has been proactively addressing these exposures. Follow-up reviews are conducted regularly to assess progress on mitigation measures.

The appointment of KYAI Advisory Sdn Bhd as Caretaker for the Group's risk function has further contributed to improving the Group's risk governance practices during the year.

The Board remains committed to continuously reviewing and enhancing the system, as necessary, to reflect changes in the Group's business environment and risk profile. Based on the work carried out by management and assurance from the internal audit function, the Board considers the system of risk management and internal control to be adequate and effective during the period under review.

The internal audit function, carried out independently of management, supports the Audit Committee and the Board by assessing the adequacy and effectiveness of the internal control and risk management framework. Further details on the internal audit activities are provided in the Audit Committee Report within this Annual Report.

Other Key Elements of Internal Control

The other key elements of the Group's internal control system are described as follows:

- clearly defined delegation of responsibilities to the Committees of the Board and management of operating units respectively;
- clearly documented internal procedures in respect of operational and financial processes as set out in ISO 9001:2015 Quality Management System Documents and Financial Processes Manual;
- regular and comprehensive information provided to the Board and AC covering financial performance and key business performance indicators;
- monitoring of results against the budget, with major variances being followed-up and relevant management actions taken during respective Key Performance Index project meetings, management meetings and Board meetings; and
- regular visits to operating units by Group Managing Director, Executive Directors, and the management team, to ensure compliance with the Group's rules and regulations and adherence to employees' conduct as outlined in the Group's Human Resource Policies.

Review of Statement

The external auditors have conducted a review of this Statement for inclusion in the Group's Annual Report for the financial year ended 30 June 2025. Based on their review, they reported to the Board that nothing has come to their attention that would suggest the Statement is inconsistent with their understanding of the Group's risk management and internal control processes.

Conclusion

No major control deficiencies that could result in material loss were identified during the financial year ended 30 June 2025. The Group Managing Director and Group Chief Financial Officer have provided assurance to the Board that the risk management and internal control systems in place remain effective and adequate in all material respects.

The Board continues to believe that the Group's system of internal control and risk management provides a reasonable level of assurance in safeguarding shareholders' investments and the Group's assets. Aware of the evolving nature of the business landscape, the Board remains committed to enhancing the Group's practices, including implementing recommendations from both the internal auditor and KYAI Advisory, to strengthen the control environment further.

This Statement on Risk Management and Internal Control has been approved by the Board of Directors at the Board meeting held on 30 October 2025.

AUDIT COMMITTEE REPORT

MEMBERS OF THE AUDIT COMMITTEE

During the financial year ended 30 June 2025, the Audit Committee ("AC") comprises the following members:

- 1) Puan Norhaizam binti Mohammad
Chairman/Independent Non-executive Director
- 2) En Shahruladeri bin Mohamad Adnan
Member/Independent Non-executive Director
- 3) YBhg Dato' Azmi bin Abdullah
Acting Chairman/Senior Independent Non-executive Director
(Resigned on 11 December 2024)

Following the resignation of YBhg Dato' Azmi bin Abdullah on 11 December 2024, Puan Norhaizam binti Mohammad was appointed as the new Chairman of the Audit Committee.

The Audit Committee is composed entirely of Independent Non-Executive Directors, all of whom possess sound financial literacy and relevant experience.

Puan Norhaizam binti Mohammad holds a B.A. (Hons) in Accountancy and Finance from Manchester Metropolitan University and is an active member of both the Malaysian Institute of Accountants (MIA) and the Chartered Institute of Management Accountants (CIMA). En Shahruladeri bin Mohamad Adnan is an Associate of the Chartered Institute of Management Accountants (CIMA), UK and holds a degree in Accounting and Finance from Kingston University, UK.

The Board is cognisant of the requirement under Paragraph 15.09(1)(a) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, which stipulates that the Audit Committee must comprise no fewer than three (3) members. Following the resignation of YBhg Dato' Azmi bin Abdullah, the Company has been actively taking the necessary steps to comply with the requirement within the extension period granted by Bursa Securities.

ATTENDANCE OF MEETINGS

During the financial year under review, a total of six (6) AC meetings were held and the members' record of attendance is as shown below:

AC members	No. of meetings attended
YBhg Dato' Azmi bin Abdullah (Resigned on 11 December 2024)	3/3
En Shahruladeri bin Mohamad Adnan	6/6
Puan Norhaizam binti Mohammad	3/3

The Chief Financial Officer, Chief Risk and Compliance Officer, the Internal Auditor and the External Auditor were invited to attend the AC meetings, when required, to explain and provide the AC with clarification on the activities involving their area of responsibilities.

The AC Chairman briefs the Board on the proceedings of each AC meeting. The minutes of respective AC meetings were tabled at the subsequent meetings for confirmation.

TERMS OF REFERENCE

The Terms of Reference of the AC was reviewed on 28 August 2025 and is available on the Company's website at www.ireka.com.my.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES

The activities below were carried out by the AC for the financial year ended 30 June 2025 in discharging its duties:

- 1) Reviewed the quarterly unaudited financial results and year-end financial statements of the Group before recommending for approval to the Board, focusing, amongst other matters on:
 - i) significant matters highlighted including financial reporting issues, significant judgements made by the management, significant and unusual events or transactions, and how these matters were being addressed; and
 - ii) compliance with accounting standards and other legal requirements.
- 2) Reviewed the external auditors' audit plan, scope of work and audit procedures to be adopted in the annual audit;
- 3) Reviewed and discussed with the external auditors the key audit matters raised from the results of the annual audit, management letter and audit report;
- 4) Reviewed the audited financial statements of the Company and the Group, which have been prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") and Companies Act 2016 with the external auditors prior to submission to the Board for consideration and approval;
- 5) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control, and recommended them to the Board for approval prior to the inclusion in the Annual Report;
- 6) Considered proposed general mandate for recurrent related party transactions of a revenue or trading nature and draft circular to shareholders before recommending them to the Board for approval;
- 7) Invited the Group Chief Financial Officer to all AC meetings to facilitate direct communication, provide clarification on issues relating to the financial results of the Group, significant financial reporting issues and judgements made on the accounting matters;
- 8) Reviewed and approved the risk-based audit plan of internal auditors;
- 9) Reviewed and deliberated the internal audit reports tabled during the year, audit recommendations made and management's response to the recommendations. The AC briefed the Board on audit findings, sought clarifications from the Group Chief Financial Officer on internal control matters and provided its opinions and recommendations on areas where improvements were needed;
- 10) Reviewed the results of the follow-up audits conducted by the internal auditors on the management's implementation of any audit recommendations made to ensure that corrective actions have been implemented in a timely manner; and
- 11) Reviewed, assessed and monitored the performance, competency and professionalism demonstrated by the external auditors. The AC was satisfied with the performance and audit independence of the external auditors and accordingly it was recommended to the Board for their re-appointment to be tabled for approval at the forthcoming Annual General Meeting.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

During the financial year ended 30 June 2025, the internal audit function of the Company was undertaken by KYAI Advisory Sdn Bhd, an independent professional firm engaged to perform internal audit services.

KYAI Advisory Sdn Bhd reports directly to the AC in discharging its responsibilities. The internal audit function operates independently of the activities it audits, thereby ensuring impartiality and objectivity in the performance of its duties.

The internal audit function focuses on key risk areas as set out in the internal audit plan approved by the AC. The primary objectives include assessing the adequacy, integrity, and effectiveness of the Group's system of internal controls, compliance with established policies and procedures, applicable laws and regulations, as well as the reliability and integrity of information.

KYAI Advisory adopts a risk-based audit approach in identifying audit areas and executing its reviews. Additionally, special reviews may be undertaken at the request of the AC or Management on specific areas of concern, particularly those deemed high-risk. These reviews serve to provide additional assurance regarding the robustness and effectiveness of internal controls.

Audit findings and areas for improvement, together with the corresponding recommendations, are communicated to Management for action. Management is responsible for implementing corrective measures within the stipulated timeframes. The audit reports, summarising key findings and recommendations, are presented to the AC for deliberation. Significant control matters are highlighted to the AC to enable it to fulfil its oversight responsibilities effectively.

During the financial year ended 30 June 2025, KYAI Advisory Sdn Bhd conducted internal audit reviews on the following areas:

Entity/Function	Review Area
Internal Audit Function	Review of the Internal Audit Charter
Ireka Properties Sdn Bhd	Financial governance, cost management, and procurement practices
Ireka Corporation Berhad	Human Resources Department

The results of these reviews were discussed with Management, and the audit findings together with recommendations for improvement were subsequently tabled at the AC meetings. While certain weaknesses were noted during the course of the audits, none were considered to have resulted in material losses that would require separate disclosure in this Annual Report.

The Internal Audit Charter was reviewed on 27 February 2025 and is available on the Company's website at www.ireka.com.my.

This statement has been approved by the Board of Directors on 30 October 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITY

(Pursuant to Paragraph 15.26(A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors acknowledge their responsibilities to prepare the financial statements so as to give a true and fair view of the financial position of the Group and the Company as at 30 June 2025 and of the results and cash flows of the Group and of the Company for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards, the Companies Act 2016 ("Act") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements, the Directors have:

- applied suitable and approved accounting policies consistently;
- made reasonable, prudent judgments and estimates;
- ensured strict adherence of all applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company and are kept in accordance with the Act.

The Directors have overall responsibilities to take such steps as reasonably available to them to safeguard the assets of the Group and of the Company, to prevent and detect fraud and other irregularities.

(This Statement of Directors' Responsibility has been approved by the Board of Directors on 30 October 2025)

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiaries include property development and management, provision of other related professional services and consultancy, property services, property investment and renting of property and construction, engineering and real estate development.

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

RESULTS

	Group RM	Company RM
Loss for the financial year, net of tax	<u>(20,179,761)</u>	<u>(8,744,131)</u>
Attributable to:		
Owners of the Company	(19,069,043)	(8,744,131)
Non-controlling interests	<u>(1,110,718)</u>	<u>-</u>
	<u>(20,179,761)</u>	<u>(8,744,131)</u>

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 30 June 2025.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

DIRECTORS' REPORT

BAD AND DOUBTFUL DEBTS

Before the financial statements 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 it necessary the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements 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

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 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.

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 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 were not substantially affected by any item, transaction or event of a material and unusual nature; 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 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 in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year are RM380,000 and RM146,000 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

During the financial year, no new issue of share or debentures were made by the Company.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Tan Sri Dato' Mohd Ismail Bin Che Rus
Datuk Mohd Hasnul Ismar Bin Mohd Ismail *
Chairil Bin Mohd Tamil *
Chow Sung Chek Simon *
Shahruladeri Bin Mohamad Adnan
Norhaizam Binti Mohammad
Dato' Azmi Bin Abdullah

(Appointed on 3 January 2025)
(Resigned on 11 December 2024)

* Directors of the Company and certain subsidiaries

DIRECTORS' REPORT

DIRECTORS (continued)

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

Dato' Mohd Hairiezan Bin Rasli	
Leonard Yee Yuke Dien	
Sharon Kathryn Lourdes	
Shotaro Ishihara	
Wan Ahmad Nazim Bin Mohamed Noor	
Mohd Safawi Bin Ahmad	(Appointed on 8 January 2025)
Husni Bin Mahmood	(Appointed on 1 October 2025)
Takeshi Tsuji	(Resigned on 19 December 2024)
Masato Takagi	(Resigned on 19 December 2024)

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 year in shares in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares		
	At 1.7.2024	Bought	Sold
			At 30.6.2025
Indirect interest:			
Datuk Mohd Hasnul Ismar Bin			
Mohd Ismail [#]	48,050	-	-
			48,050

[#] Shares held through a company in which the director has financial interests.

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

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, 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.

The directors' benefits of the Group and of the Company are as follows:

	Group RM	Company RM
Directors of the Company		
Executive directors		
- Remuneration and other emoluments	1,660,022	1,660,022
Non-executive directors		
- Fees	146,494	146,494
	<u>1,806,516</u>	<u>1,806,516</u>

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is 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 year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were RM5,000,000 and RM92,350 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Effective equity interest	
		2025 %	2024 %
Ireka Sdn. Bhd.	Malaysia	100	100
Ireka Properties Sdn. Bhd.	Malaysia	100	100
Ireka Property Services Sdn. Bhd.	Malaysia	100	100
Ireka Commercial Sdn. Bhd.	Malaysia	100	100

DIRECTORS' REPORT

SUBSIDIARIES (continued)

The details of the Company's subsidiaries are as follows: (continued)

Name of company	Principal place of business/ country of incorporation	Effective equity interest	
		2025 %	2024 %
Kami Management Services Sdn. Bhd.	Malaysia	51	51
i-Residence Sdn. Bhd.	Malaysia	100	100
Ireka Engineering and Construction Vietnam Company Limited	Vietnam	100	100
Meadowfield Sdn. Bhd.	Malaysia	100	55
i-Tech Network Solutions (Vietnam) Company Limited	Vietnam	100	100
United Time Development Sdn. Bhd.	Malaysia	100	100
Ireka Development (Terengganu) Sdn. Bhd.	Malaysia	80	80
Shoraka Power Sdn. Bhd.	Malaysia	100	100
Shoraka Construction Sdn. Bhd.	Malaysia	100	100
Shoraka Digital Solutions Sdn. Bhd.	Malaysia	100	100
Ireka Energy (M) Sdn. Bhd.	Malaysia	100	100
Ireka Development (Langkawi) Sdn. Bhd.	Malaysia	80	80
Subsidiaries of Ireka Sdn. Bhd.			
Ireka Engineering & Construction Sdn. Bhd. (in liquidation)	Malaysia	100	100
Regalmont (Sabah) Sdn. Bhd.	Malaysia	100	100
Regal Variety Sdn. Bhd.	Malaysia	100	100

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are disclosed in Note 38 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:

DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL

Director

CHAIRIL BIN MOHD TAMIL

Director

Date: 30 October 2025

STATEMENTS OF FINANCIAL POSITION

At at June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	65,882	2,845,677	51,328	98,929
Right-of-use assets	6	848,891	942,350	848,891	890,537
Investment properties	7	12,415,000	9,105,000	450,000	450,000
Investment in subsidiaries	8	-	-	55,135,817	55,135,816
Investment in associates	9	-	-	-	-
Finance lease receivables	10	-	322,390	-	322,390
Other investments	11	-	2,848,371	-	2,848,371
Inventories	13	24,965,532	31,743,779	-	-
Total non-current assets		38,295,305	47,807,567	56,486,036	59,746,043
Current assets					
Inventories	13	69,286,362	71,801,012	-	-
Tax assets		1,712,750	2,544,100	-	-
Trade and other receivables	14	23,209,233	42,324,619	15,753,763	11,615,668
Contract costs	15	965,948	1,407,100	-	-
Contract assets	16	28,603	6,911,465	-	-
Finance lease receivables	10	-	204,465	-	204,465
Deposits, cash and bank balances	17	7,151,855	9,446,043	3,920,090	3,489,155
		102,354,751	134,638,804	19,673,853	15,309,288
Assets held for sale	18	128,191	128,191	128,191	128,191
Total current assets		102,482,942	134,766,995	19,802,044	15,437,479
TOTAL ASSETS		140,778,247	182,574,562	76,288,080	75,183,522

STATEMENTS OF FINANCIAL POSITION

At at June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	19	207,729,154	207,729,154	207,729,154	207,729,154
Foreign exchange reserve	20	(440,703)	(444,336)	-	-
Accumulated losses		<u>(338,910,591)</u>	<u>(334,775,668)</u>	<u>(275,447,523)</u>	<u>(266,627,386)</u>
		(131,622,140)	(127,490,850)	(67,718,369)	(58,898,232)
Non-controlling interests		<u>(725,782)</u>	<u>15,326,092</u>	<u>-</u>	<u>-</u>
CAPITAL DEFICIENCY		<u>(132,347,922)</u>	<u>(112,164,758)</u>	<u>(67,718,369)</u>	<u>(58,898,232)</u>
Non-current liabilities					
Lease liabilities	21	328,836	987,576	328,836	967,171
Loans and borrowings	22	67,608,000	-	67,608,000	-
Retirement benefits obligation	23	588,084	588,241	410,069	379,122
Deferred tax liabilities	12	<u>131,513</u>	<u>212,610</u>	<u>-</u>	<u>-</u>
Total non-current liabilities		<u>68,656,433</u>	<u>1,788,427</u>	<u>68,346,905</u>	<u>1,346,293</u>
Current liabilities					
Lease liabilities	21	638,335	647,296	638,335	613,394
Loans and borrowings	22	7,485,972	76,666,486	-	67,608,000
Trade and other payables	24	117,297,695	139,287,147	56,952,775	42,108,420
Contract liabilities	16	36,534,239	36,325,692	-	-
Provisions	25	<u>42,513,495</u>	<u>40,024,272</u>	<u>18,068,434</u>	<u>22,405,647</u>
Total current liabilities		<u>204,469,736</u>	<u>292,950,893</u>	<u>75,659,544</u>	<u>132,735,461</u>
TOTAL LIABILITIES		<u>273,126,169</u>	<u>294,739,320</u>	<u>144,006,449</u>	<u>134,081,754</u>
CAPITAL DEFICIENCY NET OF TOTAL LIABILITIES					
		<u>140,778,247</u>	<u>182,574,562</u>	<u>76,288,080</u>	<u>75,183,522</u>

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

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Revenue	26	32,448,219	36,815,119	3,439,900	3,459,028
Cost of sales	27	(38,304,981)	(60,565,603)	-	-
Gross (loss)/profit		(5,856,762)	(23,750,484)	3,439,900	3,459,028
Other income	28	4,310,907	4,439,115	486,214	824,419
Selling and administrative expenses		(12,587,552)	(10,978,125)	(7,744,096)	(7,653,165)
Net impairment losses on financial assets and contract assets		-	(857,164)	(151,580)	(491,494)
Other operating expenses		(1,592,515)	(32,631,868)	(1,352,466)	(40,304,305)
		(14,180,067)	(44,467,157)	(9,248,142)	(48,448,964)
Operating loss		(15,725,922)	(63,778,526)	(5,322,028)	(44,165,517)
Finance costs	29	(4,541,330)	(3,812,366)	(3,422,103)	(3,654,397)
Loss before tax	30	(20,267,252)	(67,590,892)	(8,744,131)	(47,819,914)
Tax credit	32	87,491	4,159	-	-
Loss for the financial year		(20,179,761)	(67,586,733)	(8,744,131)	(47,819,914)

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Other comprehensive income, net of tax					
<i>Item that may not be reclassified subsequently to profit or loss</i>					
Remeasurement of defined benefit plans		(7,035)	377,539	(76,006)	411,925
<i>Item that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		3,633	(41,515)	-	-
Total comprehensive loss for the financial year		<u>(20,183,163)</u>	<u>(67,250,709)</u>	<u>(8,820,137)</u>	<u>(47,407,989)</u>
Loss attributable to:					
Owners of the Company		(19,069,043)	(59,560,753)	(8,744,131)	(47,819,914)
Non-controlling interests		<u>(1,110,718)</u>	<u>(8,025,980)</u>	<u>-</u>	<u>-</u>
		<u>(20,179,761)</u>	<u>(67,586,733)</u>	<u>(8,744,131)</u>	<u>(47,819,914)</u>
Total comprehensive loss attributable to:					
Owners of the Company		(19,077,767)	(59,223,579)	(8,820,137)	(47,407,989)
Non-controlling interests		<u>(1,105,396)</u>	<u>(8,027,130)</u>	<u>-</u>	<u>-</u>
		<u>(20,183,163)</u>	<u>(67,250,709)</u>	<u>(8,820,137)</u>	<u>(47,407,989)</u>
Basic and diluted loss per share (sen)	33	<u>(9.00)</u>	<u>(28.10)</u>		

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

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

Group	Note	Attributable to owners of the Company				
		Share capital RM	Foreign exchange reserve RM	Accumulated losses RM	Sub-total RM	Non-controlling interests RM
At 1 July 2024		207,729,154	(444,336)	(334,775,668)	(127,490,850)	15,326,092
						(112,164,758)
Total comprehensive loss for the financial year						
Loss for the financial year		-	-	(19,069,043)	(19,069,043)	(1,110,718)
Other comprehensive loss		-	3,633	(12,357)	(8,724)	5,322
						(3,402)
Total comprehensive loss		-	3,633	(19,081,400)	(19,077,767)	(1,105,396)
						(20,183,163)
Transaction with owners						
Changes in ownership interests in a subsidiary	8(a)	-	-	14,946,477	14,946,477	(14,946,478)
						(1)
Total transaction with owners		-	-	14,946,477	14,946,477	(14,946,478)
						(1)
At 30 June 2025		207,729,154	(440,703)	(338,910,591)	(131,622,140)	(725,782)
						(132,347,922)

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

Group	Attributable to owners of the Company				
	Share capital	Foreign exchange reserve	Accumulated losses	Sub-total	Non-controlling interests
Note	RM	RM	RM	RM	RM
At 1 July 2023	207,729,154	(402,821)	(275,593,604)	(68,267,271)	23,353,222
Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
Total comprehensive loss	-	(41,515)	(59,182,064)	(59,223,579)	(8,027,130)
At 30 June 2024	207,729,154	(444,336)	(334,775,668)	(127,490,850)	15,326,092
Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
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Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
Total comprehensive loss	-	(41,515)	(59,182,064)	(59,223,579)	(8,027,130)
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Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
Total comprehensive loss	-	(41,515)	(59,182,064)	(59,223,579)	(8,027,130)
At 30 June 2024	207,729,154	(444,336)	(334,775,668)	(127,490,850)	15,326,092
Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
Total comprehensive loss	-	(41,515)	(59,182,064)	(59,223,579)	(8,027,130)
At 30 June 2024	207,729,154	(444,336)	(334,775,668)	(127,490,850)	15,326,092
Total comprehensive loss for the financial year	-	-	(59,560,753)	(59,560,753)	(8,025,980)
Loss for the financial year	-	(41,515)	378,689	337,174	(1,150)
Other comprehensive income					336,024
Total comprehensive loss	-	(41,515)	(59,182,064)	(59,223,579)	(8,027,130)

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

	← Attributable to owners of the Company →		
Note	Share capital RM	Accumulated loss RM	Capital deficiency RM
Company			
At 1 July 2023	207,729,154	(219,219,397)	(11,490,243)
Total comprehensive loss for the financial year			
Loss for the financial year	-	(47,819,914)	(47,819,914)
Other comprehensive income	-	411,925	411,925
Total comprehensive loss	-	(47,407,989)	(47,407,989)
At 30 June 2024	207,729,154	(266,627,386)	(58,898,232)
Total comprehensive loss for the financial year			
Loss for the financial year	-	(8,744,131)	(8,744,131)
Other comprehensive income	-	(76,006)	(76,006)
Total comprehensive loss	-	(8,820,137)	(8,820,137)
At 30 June 2025	207,729,154	(275,447,523)	(67,718,369)

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
Loss before tax		(20,267,252)	(67,590,892)	(8,744,131)	(47,819,914)
Adjustments for:					
Depreciation of:					
- property, plant and equipment		149,948	357,413	48,331	254,807
- right-of-use assets		408,644	1,083,883	408,644	1,051,160
Bad debts written off:					
- other receivables		-	1,235,522	-	1,235,522
- amounts owing by associates		-	3,719,158	-	3,719,158
Dividend income		-	(18)	-	(18)
Fair value (gain)/loss on:					
- investment properties		(810,963)	267,778	-	267,778
- assets held for sale		-	86,625	-	86,625
- other investments		(116,410)	9,385,805	(116,410)	9,385,805
Gain on disposal of subsidiaries		-	(3,432,552)	-	-
Gain on derecognition of right-of-use assets		(2,494)	-	-	-
Loss on lease modification		7,275	242,072	7,275	242,072
Loss/(Gain) on unrealised foreign exchange		44,402	(219)	44,402	(219)
Impairment losses on:					
- amounts owing by subsidiaries		-	-	151,580	303,333
- investment in subsidiaries		-	-	-	7,500,000
- other receivables		-	781,171	-	188,161
- trade receivables		-	75,993	-	-
Interest expense		4,541,330	3,812,366	3,422,103	3,654,397
Interest income		(101,421)	(167,157)	(299,255)	(337,983)
Loss/(Gain) on disposal of:					
- associates		-	-	-	300,000
- other investments		494,510	15,610,424	494,510	15,610,424
- property, plant and equipment		(230)	(483,089)	(230)	(135,090)
Other investments written off		33,500	-	33,500	-

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

	Note	Group 2025 RM	2024 RM	Company 2025 RM	2024 RM
Cash flows from operating activities (continued)					
Prepayment written off		40,538	-	40,538	-
Property, plant and equipment written off		131,540	393,588	-	393,588
Provision for:					
- legal claims		111	25,140	111	25,140
- onerous contracts		6,826,436	11,168,613	-	-
- corporate guarantee		9,384	2,104,773	9,384	2,104,773
- retirement benefits obligation		75,479	101,474	37,611	74,574
Waiver of debts		(17,666)	-	-	-
Operating loss before changes in working capital		(8,553,339)	(21,222,129)	(4,462,037)	(1,895,907)
<u>Changes in working capital:</u>					
Contract assets and liabilities		7,091,409	37,306,864	-	-
Contract costs		441,152	140,051	-	-
Inventories		9,292,897	(5,107,872)	-	-
Trade and other receivables		19,234,089	(33,269,367)	225,273	374,441
Trade and other payables		(18,811,651)	26,856,717	(204,937)	4,231,013
Net cash generated from/ (used in) operations		8,694,557	4,704,264	(4,441,701)	2,709,547
Payment of retirement benefits obligation		(82,671)	-	(82,670)	-
Tax refunded		876,784	45,824	-	-
Tax paid		(39,040)	(171,510)	-	-
Net cash from/(used in) operating activities		9,449,630	4,578,578	(4,524,371)	2,709,547

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from investing activities					
Acquisition of additional interest of a subsidiary	8(a)	(1)	-	(1)	-
Dividend received		-	18	-	18
Interest received		101,421	167,157	299,255	337,983
Proceeds from disposal of:					
- property, plant and equipment		3,865	555,998	3,865	208,000
- other investment		2,436,771	-	2,436,771	-
Purchase of property, plant and equipment		(4,365)	-	(4,365)	-
Lease modification		-	(576,711)	-	(576,711)
Payments from finance lease receivables		152,582	354,125	-	354,125
(Advance to)/Repayment from subsidiaries		-	-	(4,243,663)	373,821
Advances to related parties		(159,241)	(324,518)	(159,241)	(324,518)
Change in pledged deposits		(546,124)	(86,559)	(546,124)	(86,559)
Change in pledged bank balance		-	(2,587,079)	-	-
Net cash from/(used in) investing activities		1,984,908	(2,497,569)	(2,213,503)	286,159

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from financing activities					
Advances from subsidiaries		-	-	14,920,216	2,889,196
Advances from related parties		470,314	-	467,341	-
Drawdown of term loans		-	783,632	-	-
Interest paid		(4,541,330)	(3,812,366)	(3,422,103)	(3,654,397)
(Repayment to)/Advances from directors		(3,626,816)	5,098,516	(336,610)	1,847,638
Repayments of:					
- lease liabilities		(613,394)	(1,459,755)	(613,394)	(1,427,171)
- hire purchase		-	(150,170)	-	(150,170)
- term loans		(1,572,514)	-	-	-
- corporate guarantee		(4,321,457)	(2,329,165)	(4,321,457)	(2,329,165)
- legal claims		(25,251)	-	(25,251)	-
Net cash (used in)/from financing activities	(b)	(14,230,448)	(1,869,308)	6,668,742	(2,824,069)
Net (decrease)/increase in cash and cash equivalents		(2,795,910)	211,701	(69,132)	171,637
Cash and cash equivalents at the beginning of the financial year					
		3,569,630	3,357,710	199,821	27,965
Effect of exchange rates change on cash and cash equivalents		(44,402)	219	(46,057)	219
Cash and cash equivalents at the end of the financial year					
	17	729,318	3,569,630	84,632	199,821

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

(a) Total cash outflows for leases as a lessee:

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Included in net cash from operating activities:					
Payment relating to leases of low value assets	30	2,916	7,414	-	-
Included in net cash from financing activities:					
Interest paid in relation to lease liabilities	29	51,956	196,481	51,956	193,737
Payment of lease liabilities		613,394	1,459,755	613,394	1,427,171
Total cash outflows for leases		<u>668,266</u>	<u>1,663,650</u>	<u>665,350</u>	<u>1,620,908</u>

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

(b) Reconciliation of liabilities arising from financing activities:

	1 July 2024 RM	Cash flows RM	Non-cash Others RM	30 June 2025 RM
Group				
Amounts owing to directors	7,610,623	(3,626,816)	-	3,983,807
Amounts owing to related parties	-	470,314	-	470,314
Term loans	9,058,486	(1,572,514)	-	7,485,972
Lease liabilities	1,634,872	(613,394)	(54,307)	967,171
Redeemable convertible preference shares	67,608,000	-	-	67,608,000
Provisions	40,024,272	(6,341,132)	8,830,355	42,513,495
	125,936,253	(11,683,542)	8,776,048	123,028,759
Company				
Amounts owing to directors	4,311,766	(336,610)	-	3,975,156
Amounts owing to subsidiaries	9,351,832	14,920,216	-	24,272,048
Amounts owing to related parties	-	467,341	-	467,341
Lease liabilities	1,580,565	(613,394)	-	967,171
Redeemable convertible preference shares	67,608,000	-	-	67,608,000
Provisions	22,405,647	(6,341,132)	2,003,919	18,068,434
	105,257,810	8,096,421	2,003,919	115,358,150

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

(b) Reconciliation of liabilities arising from financing activities: (continued)

	1 July 2023 RM	Cash flows RM	Non-cash Others RM	30 June 2024 RM
Group				
Amounts owing to directors	2,475,107	5,098,516	37,000	7,610,623
Term loans	8,274,854	783,632	-	9,058,486
Lease liabilities	6,554,892	(1,459,755)	(3,460,265)	1,634,872
Hire purchase payables	150,170	(150,170)	-	-
Redeemable convertible preference shares	67,608,000	-	-	67,608,000
Provisions	39,067,955	(2,329,165)	3,285,482	40,024,272
	124,130,978	1,943,058	(137,783)	125,936,253
Company				
Amounts owing to directors	2,464,128	1,847,638	-	4,311,766
Amounts owing to subsidiaries	6,462,636	2,889,196	-	9,351,832
Lease liabilities	6,468,001	(1,427,171)	(3,460,265)	1,580,565
Hire purchase payables	150,170	(150,170)	-	-
Redeemable convertible preference shares	67,608,000	-	-	67,608,000
Provisions	22,748,017	(2,329,165)	1,986,795	22,405,647
	105,900,952	830,328	(1,473,470)	105,257,810

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Ireka Corporation Berhad (“the Company”) is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and the principal place of business of the Company is located at Level 17, Wisma Mont’ Kiara, No. 1, Jalan Kiara, Mont’ Kiara, 50480 Kuala Lumpur.

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 8.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 October 2025.

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 the Malaysian Financial Reporting Standards (“MFRSs”), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRSs

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

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors

The adoption of the above amendments to MFRSs 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 (continued)

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

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
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	Statements of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs 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.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (continued)

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

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

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.

2.4 Functional and presentation of currency

The financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

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.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

2.6 Fundamental accounting principle

The financial statements of the Group and the Company have been prepared on the assumption that the Group and the Company will continue as going concerns. The application of the going concern basis is based on the assumption that the Group and the Company will be able to realise their assets and discharge their liabilities in the normal course of business.

- (a) As at 30 June 2025, the Group and the Company incurred a net loss of RM20,179,761 and RM8,744,131 respectively, as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM101,986,794 and RM55,857,500 respectively, and the Group and the Company recorded a capital deficiency of RM132,347,922 and RM67,718,369 respectively.
- (b) On 28 February 2022, the Company had triggered the prescribed criteria under Paragraph 2.1(e) of the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

On 17 March 2025, Bursa Securities granted the Company 5th extension of time of six months up to 31 August 2025 to submit its regularisation plan to the relevant authorities. On 15 August 2025, the Company submitted an application to Bursa Securities seeking its approval for a further extension of time of six months for the Company to finalise and submit its proposed regularisation plan to the relevant authorities for approval.

On 25 September 2025, Bursa Securities rejected the Company's application. The securities of the Company will be de-listed on 7 October 2025 unless an appeal against the de-listing is submitted to Bursa Securities on or before 2 October 2025. The Group has submitted the appeal on 2 October 2025.

These events or conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

The Board of Directors of the Company are of the opinion that the Group and the Company will be able to continue as going concerns for the foreseeable future. The ability of the Group and of the Company to continue as going concerns is dependent on:

- (i) the successful appeal for extension of time and successful implementation of the Group's Proposed Regularisation Plan to regularise its financial conditions to address the Group's PN17 condition;
- (ii) the ability of the Group and the Company to generate sufficient cash flows to meet the obligations of the Group and of the Company;
- (iii) the continuous supports from the financial institutions and creditors; and
- (iv) continuous effort in securing profitable projects which include actively seek out potential partners for joint ventures and tendering of new projects.

In the event that these are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Accordingly, the financial statements may require adjustments relating to the recoverability and classification of recorded assets and to additional amount and classification of liabilities that may be necessary should the Group and the Company be unable to continue as going concerns.

NOTES 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 years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(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.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries 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 gain and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Financial instruments (continued)

Financial liabilities – subsequent measurement and gain and losses

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

The Group and the Company subsequently measure all 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.

3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

All other property, plant and equipment are depreciated on straight-line basis to write off the depreciable amount over their estimated useful lives.

The principal annual rates used for this purpose are:-

Buildings	2%
Motor vehicles	20%
Furniture, fittings and office equipment	10%-25%
Renovation	10%-25%

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

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

Right-of-use assets

The right-of-use assets 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 assets or the end of the lease term.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Leases (continued)

(a) Lessee accounting (continued)

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 and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group and the Company recognise lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

3.7 Inventories

Property under development and completed properties

The cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

3.8 Preference shares

Preference shares are classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.9 Revenue and other income (continued)

(a) Property development

The Group develops and sells residential and commercial properties. Contracts with customers may include multiple distinct promises to customers and therefore 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.

For practical expediency, the Group and the Company apply revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

Revenue from residential properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. 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 proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.9 Revenue and other income (continued)

(a) Property development (continued)

Based on the Group's customary business practice, the customers' legal fees are borne by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees. The Group uses its experience in estimating the legal fees to be incurred. The Group uses the expected value method because it is the method that the Group expects to better predict the amount of consideration to which they will be entitled. The amount of revenue recognised does not include any customers' legal fees which is constrained.

For residential properties, as part of the statutory requirements, the Group's and the Company's obligations are to rectify any defects that become apparent within the defect liability period of 24 months after the customer takes vacant possession of the building. No provision for rectification costs has been made as at the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

(b) Construction contracts

The Group constructs commercial and industrial properties under long-term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the commercial and industrial properties is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. 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 proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Sales are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers for construction of commercial and industrial properties 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) Management fees

Management fees are recognised when services are rendered.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.9 Revenue and other income (continued)

(d) Rental income

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

(e) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

3.10 Contract costs

The Group and the Company have applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the amortisation periods of the asset that the Group and the Company otherwise would have recognised are one year or less.

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) Property development revenue and expenses (Notes 13, 15, 16, 26 and 27)

The Group recognised property development revenue and expenses in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and expenses, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(b) Impairment of trade receivables and contract assets

The impairment provisions for trade receivables and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past 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 of forecast economic conditions over the expected lives of the trade receivables and contract assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's trade receivables and contract assets are disclosed in Note 34(b)(i).

(c) Contingent liabilities

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, arbitration or government regulation. Judgement is required to assess the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of any financial settlement. The inherent uncertainty of such matters means that actual losses may materially differ from estimates.

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT

Group 2025 Cost	Buildings RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Renovation RM	Total RM
At 1 July 2024	3,222,462	4,430	919,291	172,230	4,318,413
Additions	-	-	4,365	-	4,365
Disposals	-	-	(15,415)	-	(15,415)
Written off	-	-	(24,770)	(172,230)	(197,000)
Transfer to investment properties (Note 7)	(3,222,462)	-	-	-	(3,222,462)
At 30 June 2025	-	4,430	883,471	-	887,901
Accumulated depreciation					
At 1 July 2024	658,979	4,429	769,141	40,187	1,472,736
Depreciation charge for the financial year	64,446	-	68,279	17,223	149,948
Disposals	-	-	(11,780)	-	(11,780)
Written off	-	-	(8,050)	(57,410)	(65,460)
Transfer to investment properties (Note 7)	(723,425)	-	-	-	(723,425)
At 30 June 2025	-	4,429	817,590	-	822,019
Carrying amount					
At 30 June 2025	-	1	65,881	-	65,882

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Freehold land RM	Buildings RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Renovation RM	Total RM
Group						
2024						
Cost						
At 1 July 2023	453,493	3,721,259	692,175	3,811,474	172,230	8,850,631
Disposals	-	-	(687,745)	-	-	(687,745)
Written off	-	-	-	(2,892,183)	-	(2,892,183)
Transfer to investment properties (Note 7)	(439,570)	(278,208)	-	-	-	(717,778)
Transfer to asset held for sale (Note 18)	(13,923)	(220,589)	-	-	-	(234,512)
At 30 June 2024	-	3,222,462	4,430	919,291	172,230	4,318,413
Accumulated depreciation						
At 1 July 2023	-	613,609	527,476	3,084,401	22,964	4,248,450
Depreciation charge for the financial year	-	65,066	91,789	183,336	17,223	357,414
Disposals	-	-	(614,836)	-	-	(614,836)
Written off	-	-	-	(2,498,596)	-	(2,498,596)
Transfer to asset held for sale (Note 18)	-	(19,696)	-	-	-	(19,696)
At 30 June 2024	-	658,979	4,429	769,141	40,187	1,472,736
Carrying amount						
At 30 June 2024	-	2,563,483	1	150,150	132,043	2,845,677

NOTES TO THE FINANCIAL STATEMENTS

80 5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Motor vehicles RM	Furniture, fittings and office equipment RM	Total RM
Company			
2025			
Cost			
At 1 July 2024	4,429	772,492	776,921
Additions	-	4,365	4,365
Disposals	-	(15,415)	(15,415)
At 30 June 2025	4,429	761,442	765,871
Accumulated depreciation			
At 1 July 2024	4,428	673,564	677,992
Depreciation charge for the financial year	-	48,331	48,331
Disposals	-	(11,780)	(11,780)
At 30 June 2025	4,428	710,115	714,543
Carrying amount			
At 30 June 2025	1	51,327	51,328

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Freehold land RM	Buildings RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Total RM
Company					
2024					
Cost					
At 1 July 2023	453,493	498,800	692,172	3,634,229	5,278,694
Disposals	-	-	(687,743)	-	(687,743)
Written off	-	-	-	(2,861,737)	(2,861,737)
Transfer to investment properties (Note 7)	(439,570)	(278,210)	-	-	(717,780)
Transfer to asset held for sale (Note 18)	(13,923)	(220,590)	-	-	(234,513)
At 30 June 2024	-	-	4,429	772,492	776,921
Accumulated depreciation					
At 1 July 2023	-	19,082	527,472	2,979,312	3,525,866
Depreciation charge for the financial year	-	614	91,790	162,403	254,807
Disposals	-	-	(614,834)	-	(614,834)
Written off	-	-	-	(2,468,151)	(2,468,151)
Transfer to asset held for sale (Note 18)	-	(19,696)	-	-	(19,696)
At 30 June 2024	-	-	4,428	673,564	677,992
Carrying amount					
At 30 June 2024	-	-	1	98,928	98,929

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

- (a) In the current financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM4,365 and RM4,365 respectively which are satisfied by the cash payments.
- (b) In the previous financial year, the buildings of the Group with a carrying amount of RM2,563,483 has been pledged as security to secure term loans granted to the Group as disclosed in Note 22(b).

6. RIGHT-OF-USE-ASSETS

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cost				
At beginning of the financial year	2,949,753	8,657,698	2,818,855	8,526,800
Derecognition*	(130,895)	(5,131,234)	-	(5,131,234)
Lease modification	576,711	(576,711)	576,711	(576,711)
At end of the financial year	3,395,569	2,949,753	3,395,566	2,818,855
Accumulated depreciation				
At beginning of the financial year	2,007,403	4,083,332	1,928,318	4,036,970
Depreciation charge for the financial year	408,644	1,083,883	408,644	1,051,160
Derecognition*	(79,082)	(3,678,530)	-	(3,678,530)
Lease modification	209,713	518,718	209,713	518,718
At end of the financial year	2,546,678	2,007,403	2,546,675	1,928,318
Carrying amount				
At end of the financial year	848,891	942,350	848,891	890,537

* Derecognition of the right-of-use assets was a result of termination of certain leases.

NOTES TO THE FINANCIAL STATEMENTS

6. RIGHT-OF-USE-ASSETS (continued)

The Group and the Company lease office premises.

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

	Group RM	Company RM
Office premises		
Carrying amount		
At 1 July 2023	4,574,366	4,489,830
Depreciation	(1,083,883)	(1,051,160)
Derecognition	(1,452,704)	(1,452,704)
Lease modification	(1,095,429)	(1,095,429)
At 30 June 2024	942,350	890,537
Depreciation	(408,644)	(408,644)
Derecognition	(51,813)	-
Lease modification	366,998	366,998
At 30 June 2025	848,891	848,891

The Group and the Company have lease office premises for their office space. The leases for office space generally have lease term of 6 years.

7. INVESTMENT PROPERTIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At fair value				
At beginning of the financial year	9,105,000	8,655,000	450,000	-
Net gain/(loss) arising from fair value adjustment	810,963	(267,778)	-	(267,778)
Transfer from property, plant and equipment (Note 5)	2,499,037	717,778	-	717,778
At end of the financial year	12,415,000	9,105,000	450,000	450,000

As at the reporting date, titles to the investment properties of the group with carrying amount of RM9,505,000 (2024: RM8,655,000) have yet to be registered under the subsidiaries' name.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT PROPERTIES (continued)

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025	2024
	RM	RM
Rental income	191,012	150,452
Direct operating expenses:		
- income generating investment properties	<u>(221,275)</u>	<u>(210,113)</u>

Fair value information

Fair values of investment properties are categorised as follows:

	Level 2
	RM
2025	
Freehold buildings	<u>12,415,000</u>
2024	
Freehold buildings	<u>9,105,000</u>

The fair value of investment properties is determined by an external independent property valuer, Messrs Raine & Horne International Zaki + Partners Sdn. Bhd., with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The fair value of investment properties of the Group are categorised as Level 2. There are no Level 1 and Level 3 investment properties or transfer between the levels during the financial year ended 30 June 2025 and 30 June 2024.

Level 2 fair value

Level 2 fair values of investment properties have been derived using sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach is price per square foot of comparable properties.

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES

	Note	Company 2025 RM	2024 RM
Unquoted shares, at cost			
At beginning of the financial year		85,866,695	85,866,695
Additions		1	-
At end of the financial year		85,866,696	85,866,695
Accumulated impairment losses			
At beginning of the financial year		(56,729,664)	(49,229,664)
Impairment loss during the financial year	(c)	-	(7,500,000)
At end of the financial year		(56,729,664)	(56,729,664)
Loans that are part of net investments	(d)	25,998,785	25,998,785
		<u>55,135,817</u>	<u>55,135,816</u>

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
Ireka Sdn. Bhd.^	Malaysia	100	100	Investment holding
Ireka Properties Sdn. Bhd.^	Malaysia	100	100	Property development management, provision of other related professional and consultancy services
Ireka Property Services Sdn. Bhd.^	Malaysia	100	100	Property services
Ireka Commercial Sdn. Bhd. ^	Malaysia	100	100	Property investment and renting of property

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries are as follows: (continued)

Name of company	Principal place of business/ country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
Kami Management Services Sdn. Bhd.	Malaysia	51	51	Dormant
i-Residence Sdn. Bhd. ^	Malaysia	100	100	Property investment and renting of property
Ireka Engineering and Construction Vietnam Company Limited * +	Vietnam	100	100	Dormant
Meadowfield Sdn. Bhd. \$	Malaysia	100	55	Property development
i-Tech Network Solutions (Vietnam) Company Limited * +	Vietnam	100	100	Dormant
United Time Development Sdn. Bhd. ^	Malaysia	100	100	Property development
Ireka Development (Terengganu) Sdn. Bhd. ^	Malaysia	80	80	Construction, engineering and real estate development
Shoraka Power Sdn. Bhd. ^	Malaysia	100	100	Dormant
Shoraka Construction Sdn. Bhd. ^	Malaysia	100	100	Earthworks, civil, structural and building construction and renting of construction plant and machinery

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries are as follows: (continued)

Name of company	Principal place of business/ country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
Shoraka Digital Solutions Sdn. Bhd.	Malaysia	100	100	Dormant
Ireka Energy (M) Sdn. Bhd.	Malaysia	100	100	Dormant
Ireka Development (Langkawi) Sdn. Bhd.	Malaysia	80	80	Dormant
Subsidiaries of Ireka Sdn. Bhd.				
Ireka Engineering & Construction Sdn. Bhd. (in liquidation)	Malaysia	100	100	Earthworks, civil, structural and building construction and renting of construction plant and machinery
Regalmont (Sabah) Sdn. Bhd. ^	Malaysia	100	100	Property development
Regal Variety Sdn. Bhd. ^	Malaysia	100	100	Property development

* Consolidated using unaudited management financial statements.

^ The auditors' report on the financial statements of these subsidiaries contain modification.

+ Not audited by Baker Tilly Monteiro Heng PLT.

\$ Note 8(a).

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

(a) Acquisition of non-controlling interests

On 19 December 2024, the Company acquired 21,630,098 ordinary shares representing 45% equity interest in Meadowfield Sdn. Bhd., a subsidiary of the Company, for a total purchase consideration of RM1 by cash. The Company's effective ownership in Meadowfield Sdn. Bhd. increased from 55% to 100% as a result of the additional shares purchased.

Effect of the increase in the Company's effective ownership interest is as follows:

	RM
Fair value of consideration transferred	1
Increase in share of the net assets	<u>(14,946,478)</u>
Increase in equity attributable to the owners of the Company	<u>14,946,477</u>

(b) Disposal of subsidiary – Ireka Hospitality Sdn. Bhd.

On 20 December 2023, a wholly-owned subsidiary of the Company, Ireka Sdn. Bhd. entered into a Share Sale Agreement to dispose off its shareholdings in Ireka Hospitality Sdn Bhd ("IHSB") for a total cash consideration of RM2.

(i) Summary of effects of disposal on the financial position of IHSB:

	IHSB RM
Assets:	
Cash and bank balances	<u>116</u>
Liabilities:	
Trade and other payables	<u>(30,492)</u>
Net liabilities disposed	<u>(30,376)</u>
Recognised:	
Cash consideration received	2
Less: Net liabilities disposed	(30,376)
Consolidation adjustments	<u>(3,402,178)</u>
Gain on disposal of subsidiaries	<u>(3,432,552)</u>

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

(b) Disposal of subsidiary – Ireka Hospitality Sdn. Bhd. (continued)

(ii) Effect of disposals on cash flows of IHSB:

	IHSB RM
Cash consideration received	2
Less: Cash and bank balances of subsidiary disposed	116
Net cash outflows on disposal	<u>(114)</u>

(c) Impairment losses

In the previous financial year, an impairment loss of RM7,500,000 was recognised in profit or loss under other operating expenses, in view of the carrying amount of the investment is more than the recoverable amount.

(d) Loans that are part of net investments

Loans that are part of net investments represent amount owing by subsidiaries which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

(e) Non-controlling interests in subsidiaries

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

Equity interest held by non-controlling interests:

Name of company	Effective equity interest	
	2025 %	2024 %
Meadowfield Sdn. Bhd.	-	45
KaMi Management Services Sdn. Bhd.	49	49
Ireka Development (Terengganu) Sdn. Bhd.	20	20
Ireka Development (Langkawi) Sdn. Bhd.	<u>20</u>	<u>20</u>

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

(e) Non-controlling interests in subsidiaries (continued)

Carrying amount of non-controlling interests:

Name of company	2025 RM	2024 RM
Meadowfield Sdn. Bhd.	-	15,965,233
KaMi Management Services Sdn. Bhd.	(50,598)	(38,929)
Ireka Development (Terengganu) Sdn. Bhd.	(651,510)	(581,176)
Ireka Development (Langkawi) Sdn. Bhd.	(23,674)	(19,036)
	<u>(725,782)</u>	<u>15,326,092</u>

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

Loss allocated to non-controlling interests:

Name of company	2025 RM	2024 RM
Meadowfield Sdn. Bhd.	(1,018,755)	(7,825,901)
KaMi Management Services Sdn. Bhd.	(11,669)	(18,199)
Ireka Development (Terengganu) Sdn. Bhd.	(70,334)	(172,206)
Ireka Development (Langkawi) Sdn. Bhd.	(4,638)	(10,824)
	<u>(1,105,396)</u>	<u>(8,027,130)</u>

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

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

The summarised financial information (before intra-group elimination) of the Company's subsidiaries that have material non-controlling interests are as follows:

	Meadowfield Sdn. Bhd.
	2024
	RM
<u>Summarised statement of financial position</u>	
Non-current assets	4
Current assets	73,433,775
Non-current liabilities	(3,240)
Current liabilities	<u>(37,952,244)</u>
Net assets	<u>35,478,295</u>
<u>Summarised statement of comprehensive income</u>	
Revenue	6,208,782
Loss for the financial year	(17,393,310)
Total comprehensive loss	<u>(17,390,892)</u>
<u>Summarised cash flow information</u>	
Cash flows from operating activities	1,162,387
Cash flows used in investing activities	(2,556,144)
Cash flows used in financing activities	<u>(62,014)</u>
Net decrease in cash and cash equivalents	<u>(1,455,771)</u>
Dividends paid to non-controlling interests	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN SUBSIDIARIES (continued)

(f) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

	Ireka Development (Terengganu) Sdn. Bhd.	
	2025	2024
	RM	RM
<u>Summarised statement of financial position</u>		
Non-current assets	7,333,401	14,299,901
Current assets	490,952	6,898
Non-current liabilities	-	(39,207)
Current liabilities	(6,254,808)	(12,346,378)
Net assets	<u>1,569,545</u>	<u>1,921,214</u>
<u>Summarised statement of comprehensive income</u>		
Revenue	-	-
Loss for the financial year	(378,279)	(849,835)
Total comprehensive loss	<u>(351,669)</u>	<u>(861,030)</u>
<u>Summarised cash flow information</u>		
Cash flows from/(used in) operating activities	490,942	(735,956)
Cash flows used in investing activities	(490,942)	-
Cash flows used in financing activities	-	735,904
Net decrease in cash and cash equivalents	<u>-</u>	<u>(52)</u>
Dividends paid to non-controlling interests	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT IN ASSOCIATES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unquoted shares, at cost				
At beginning of the financial year	-	405,003	-	405,003
Disposals	-	(405,003)	-	(405,003)
At end of the financial year	-	-	-	-
Less: Accumulated impairment losses				
At beginning of the financial year	-	-	-	(105,003)
Additions	-	-	-	(300,000)
Disposals	-	-	-	405,003
At end of the financial year	-	-	-	-
Share of post- acquisition loss				
At beginning of the financial year	-	(405,003)	-	-
Disposals	-	405,003	-	-
At end of the financial year	-	-	-	-
	-	-	-	-

On 26 January 2024, the Company entered into an out-of-court settlement agreement with ASPL M9 Limited to resolve the ongoing Writ. As part of this Settlement Agreement, the Company agreed to amicably settle the matter by disposing of its entire shareholding in Urban DNA Sdn Bhd and The RuMa Hotel KL Sdn Bhd to ASPL M9. Following the completion of these transactions on 25 March 2024, both Urban DNA Sdn Bhd and The RuMa Hotel KL Sdn Bhd ceased to be associates of the Group.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCE LEASE RECEIVABLES

	Group and Company	
	2025	2024
	RM	RM
Non-current:		
Finance lease receivables	-	322,390
Current:		
Finance lease receivables	-	204,465
	-	526,855

Gross investment under lease receivables together with the present value of minimum lease payment receivables are as follows:

	Group and Company	
	2025	2024
	RM	RM
Gross investment:		
Not later than one year	-	221,784
Later than one year and not later than 5 years	-	332,675
Minimum lease payments receivable	-	554,459
Less: Amount representing unearned interest income	-	(27,604)
Present value of minimum lease payments receivable	-	526,855
Present value of minimum lease payments receivable:		
Not later than one year	-	204,465
Later than one year and not later than 5 years	-	322,390
	-	526,855
Less: Amount due within 12 months	-	(204,465)
	-	322,390

NOTES TO THE FINANCIAL STATEMENTS

11. OTHER INVESTMENTS

	Group and Company	
	2025	2024
	RM	RM
Financial assets at fair value through profit or loss		
At fair value:		
Quoted equity securities outside Malaysia	-	2,814,871
Investment in club memberships	-	33,500
	<u>-</u>	<u>2,848,371</u>

In the previous financial year, the fair value of quoted equity which is listed on the London Stock Exchange, was RM2,814,871 based on the quoted market price available on the stock exchange, which was categorised within Level 1 fair value hierarchy.

On 26 January 2024, the Company entered into an out-of-court settlement agreement with ASPL M9 Limited ("ASPL M9") to resolve the ongoing Writ. As part of the settlement, the Company agreed to amicably settle the matter by disposing of its 38,837,504 shares in Aseana Properties Limited in exchange for ASPL M9 to withdraw their legal suit. The transaction gives rise to a loss on disposal of other investment of RM15,610,419 as disclosed in Note 30.

12. DEFERRED TAX LIABILITIES

	Group	
	2025	2024
	RM	RM
At beginning of the financial year	(212,610)	(212,610)
Recognised in profit or loss (Note 32)	81,097	-
At end of the financial year	<u>(131,513)</u>	<u>(212,610)</u>

This is in respect of estimated deferred tax liabilities arising from temporary differences as follows:

	Group	
	2025	2024
	RM	RM
Deferred tax liabilities		
Difference between carrying amount of investment properties and their tax bases	<u>(131,513)</u>	<u>(212,610)</u>

NOTES TO THE FINANCIAL STATEMENTS

12. DEFERRED TAX LIABILITIES (continued)

Unrecognised deferred tax assets

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

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unused tax losses	107,685,660	111,132,621	48,824,492	42,596,046
Unabsorbed capital allowances	2,917,345	2,813,945	2,674,891	2,706,540
Property development	99,451,756	75,957,792	-	-
Property plant and equipment	223,165	212,193	218,734	138,986
Right-of-use assets	-	2,495	-	-
	<u>210,277,926</u>	<u>190,119,046</u>	<u>51,718,117</u>	<u>45,441,572</u>
Potential deferred tax assets not recognised at 24% (2024: 24%)	<u>50,466,702</u>	<u>45,628,571</u>	<u>12,412,348</u>	<u>10,905,977</u>

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group and the Company up to the following financial years:

	Group	Company
	2025	2025
	RM	RM
2028	391,674	-
2029	38,800,478	30,660,983
2030	10,666,774	2,762,699
2031	9,073,129	1,704,017
2032	10,522,528	1,286,638
2033	21,720,990	2,777,112
2034	9,673,320	3,404,597
2035	6,836,767	6,228,446
	<u>107,685,660</u>	<u>48,824,492</u>

NOTES TO THE FINANCIAL STATEMENTS

13. INVENTORIES

	Group 2025 RM	2024 RM
Non-current:		
Property held for development		
- Freehold land	2,097,654	2,097,654
- Development costs	22,867,878	29,646,125
	24,965,532	31,743,779
Current:		
Property under development		
- Freehold land	21,050,766	21,185,008
- Development costs	48,235,596	50,616,004
	69,286,362	71,801,012
	94,251,894	103,544,791

- (a) The cost of inventories of the Group recognised as an expense in the cost of sales during the financial year was RM21,912,233 (2024: RM48,437,750).
- (b) Properties held for development and properties under development of RM17,639,640 (2024: RM17,664,913) and Nil (2024: RM58,331,923) respectively are pledged as security for certain banking facilities granted to the Group as disclosed in Note 22.
- (c) Properties under development of RM8,554,945 are pledged as security for certain other payables as disclosed in Note 24.
- (d) Included in inventories are borrowing costs capitalised in the property development costs during the financial year as follows:

	Group 2025 RM	2024 RM
Borrowing costs capitalised	-	1,074,485

NOTES TO THE FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Current:					
Trade					
Third parties		22,953,695	42,136,564	-	-
Less: Impairment losses		(4,202,241)	(4,202,241)	-	-
	(a)	18,751,454	37,934,323	-	-
Non-trade					
Amounts owing by subsidiaries	(b)	-	-	18,322,531	14,078,868
Amounts owing by related parties	(c)	745,513	586,272	745,513	586,272
Other receivables	(d)	34,199,620	40,143,816	29,046,242	29,639,386
Advances to suppliers		62,000	62,000	-	-
Deposits		784,186	816,425	303,186	317,820
Prepayments		725,659	761,446	725,659	761,446
		36,516,978	42,369,959	49,143,131	45,383,792
Less: Impairment losses					
- amounts owing by subsidiaries	(b)	-	-	(4,353,387)	(4,201,807)
- other receivables	(d)	(32,059,199)	(37,979,663)	(29,035,981)	(29,566,317)
		(32,059,199)	(37,979,663)	(33,389,368)	(33,768,124)
		4,457,779	4,390,296	15,753,763	11,615,668
Total trade and other receivables		23,209,233	42,324,619	15,753,763	11,615,668

NOTES TO THE FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES (continued)

(a) Trade receivables

- (i) Included in trade receivables are stakeholder funds of RM7,678,000 which were held by the appointed stakeholder pursuant to the Sale and Purchase Agreement to hold the stakeholder sums for the purchasers of the KaMi Development Project during the defect liability period. The Group was unable to ascertain the availability of the funds held by the appointed stakeholder and is in the process of initiating legal action to recover the stakeholder funds and any related losses. Based on its assessment, the Group is of the view that no impairment is required on the stakeholder funds as at the reporting date.
- (ii) The Group's normal trade credit terms range from 30 to 90 days (2024: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.
- (iii) Receivables that are impaired

The reconciliation of movement in the accumulated impairment losses of trade receivables is as follows:

	Group	
	2025	2024
	RM	RM
At beginning of the financial year	4,202,241	4,154,069
Charge for the financial year		
- individually assessed	-	75,993
Written off	-	(27,821)
At end of the financial year	<u>4,202,241</u>	<u>4,202,241</u>

The above trade receivables that are individually determined to be credit impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments.

The information about the credit exposures are disclosed in Note 34(b)(i).

NOTES TO THE FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES (continued)

(b) Amounts owing by subsidiaries

The amounts owing by subsidiaries are non-trade in nature, unsecured, interest-free and receivable upon demand in cash except for an amount of RM3,896,507 (2024: RM3,851,244) bear interest at a rate of 5.5% (2024: 5.5%) per annum.

The reconciliation of movement in the accumulated impairment losses of amounts owing by subsidiaries is as follows:

	Company	
	2025	2024
	RM	RM
At beginning of the financial year	4,201,807	4,427,639
Charge for the financial year		
- individually assessed	151,580	303,333
Disposal of a subsidiary	-	(529,165)
At end of the financial year	<u>4,353,387</u>	<u>4,201,807</u>

The above impairment losses that are individually determined at the reporting date relate to subsidiaries that have difficulty in repaying the advances.

(c) Amounts owing by related parties

The amounts owing by related parties are non-trade in nature, unsecured, interest-free and receivable upon demand in cash.

(d) Other receivables

The reconciliation of movement in the accumulated impairment losses of other receivables is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
At beginning of the financial year	37,979,663	36,668,157	29,566,317	28,848,991
Charge for the financial year				
- individually assessed	-	781,171	-	188,161
Write off	(5,920,464)	-	(530,336)	-
Impact of lost control of a subsidiary	-	530,335	-	529,165
At end of the financial year	<u>32,059,199</u>	<u>37,979,663</u>	<u>29,035,981</u>	<u>29,566,317</u>

NOTES TO THE FINANCIAL STATEMENTS

15. CONTRACT COSTS

	Group	
	2025	2024
	RM	RM
Current:		
Costs to obtain contracts	965,948	1,407,100

Costs to obtain contracts

Costs to obtain contracts relate to incremental commission fees paid as a result of obtaining contracts with customers.

The costs to obtain contracts are amortised in accordance with the pattern of transfer of goods or services to which the asset relates. During the financial year, the amortisation of contract costs of the Group recognised were RM512,541 (2024: RM2,693,760).

16. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2025	2024
	RM	RM
Contract assets relating to:		
- property development contracts	-	6,911,465
- construction service contracts	28,603	-
Total contract assets	<u>28,603</u>	<u>6,911,465</u>
Contract liabilities relating to		
property development contracts	<u>(36,534,239)</u>	<u>(36,325,692)</u>

NOTES TO THE FINANCIAL STATEMENTS

16. CONTRACT ASSETS/(LIABILITIES) (continued)

(a) Significant changes in contract balances

	2025		2024	
	Contract assets increase/ (decrease) RM	Contract liabilities (increase)/ decrease RM	Contract assets increase/ (decrease) RM	Contract liabilities (increase)/ decrease RM
Group				
Revenue recognised that was included in contract liability at the beginning of the financial year	-	16,557,188	-	11,770,455
Increase due to consideration received from customers, but revenue not recognised	-	(16,765,735)	-	(36,325,692)
Increase due to revenue recognised for unbilled goods or services transferred to customers	28,603	-	6,911,465	-
Transfer from contract assets recognised at the beginning of the year to receivables	(6,911,465)	-	(9,895,584)	-

NOTES TO THE FINANCIAL STATEMENTS

17. DEPOSITS, CASH AND BANK BALANCES

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

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash and bank balances	3,316,397	6,156,709	84,632	199,821
Deposits placed with licensed banks (Note (b))	3,835,458	3,289,334	3,835,458	3,289,334
Deposits, cash and bank balances as reported in the statements of financial position	7,151,855	9,446,043	3,920,090	3,489,155
Less: Pledged deposits	(3,835,458)	(3,289,334)	(3,835,458)	(3,289,334)
Less: Bank balance pledged	(2,587,079)	(2,587,079)	-	-
Cash and cash equivalents as reported in the statements of cash flows	729,318	3,569,630	84,632	199,821

- (a) Included in cash and bank balances of the Group included pledged bank balance of RM2,587,079 (2024: RM2,587,079), which is therefore restricted from use in other operations.
- (b) Included in the deposits placed with licensed banks of the Group and the Company, RM3,835,458 (2024: RM3,289,334) are pledged to the licensed banks to secure credit facilities granted to the subsidiaries as disclosed in Note 22(b).
- (c) Deposits placed with licensed banks of the Group and the Company earn interest at rates ranging from 2.20% to 2.45% (2024: 2.45% to 2.90%) per annum and at rates ranging from 2.20% to 2.45% (2024: 2.45% to 2.90%) per annum respectively. The maturity is less than 3 months.
- (d) Included in cash and bank balances of the Group are amount of RM15,758 (2024: RM2,327,401) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

NOTES TO THE FINANCIAL STATEMENTS

18. ASSETS HELD FOR SALE

The assets held for sale on the Group's and the Company's statement of financial position as at 30 June 2025 is as follows:

	Group and Company	
	2025 RM	2024 RM
Land and buildings		
At beginning of the financial year	128,191	-
Transfer from property, plant and equipment (Note 5)	-	214,816
Loss arising from fair value adjustment	-	(86,625)
At end of the financial year	<u>128,191</u>	<u>128,191</u>

19. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid up (no par value):				
At the beginning/end of the financial year	<u>227,783,750</u>	<u>227,783,750</u>	<u>207,729,154</u>	<u>207,729,154</u>

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 regard to the Company's residual assets.

20. FOREIGN EXCHANGE RESERVE

The foreign exchange 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.

NOTES TO THE FINANCIAL STATEMENTS

21. LEASE LIABILITIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:				
Lease liabilities	328,836	987,576	328,836	967,171
Current:				
Lease liabilities	638,335	647,296	638,335	613,394
	<u>967,171</u>	<u>1,634,872</u>	<u>967,171</u>	<u>1,580,565</u>

The incremental borrowing rate applied to lease liabilities is 3.99% (2024: ranging from 3.97% to 3.99%) per annum.

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Minimum lease payments:				
Not later than one year	665,351	700,679	665,351	665,351
Later than one year and not later than 5 years	<u>332,675</u>	<u>1,018,634</u>	<u>332,675</u>	<u>998,026</u>
	998,026	1,719,313	998,026	1,663,377
Less: Future finance charges	<u>(30,855)</u>	<u>(84,441)</u>	<u>(30,855)</u>	<u>(82,812)</u>
Present value of minimum lease payments	<u>967,171</u>	<u>1,634,872</u>	<u>967,171</u>	<u>1,580,565</u>
Present value of minimum lease payments:				
Not later than one year	638,335	647,296	638,335	613,394
Later than one year and not later than 5 years	<u>328,836</u>	<u>987,576</u>	<u>328,836</u>	<u>967,171</u>
	967,171	1,634,872	967,171	1,580,565
Less: Amount due within 12 months	<u>(638,335)</u>	<u>(647,296)</u>	<u>(638,335)</u>	<u>(613,394)</u>
Amount due after 12 months	<u>328,836</u>	<u>987,576</u>	<u>328,836</u>	<u>967,171</u>

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current:					
Secured:					
Redeemable convertible preference shares	(a)	67,608,000	-	67,608,000	-
Current:					
Secured:					
Redeemable convertible preference shares		-	67,608,000	-	67,608,000
Term loans	(b)	7,485,972	9,058,486	-	-
		<u>75,093,972</u>	<u>76,666,486</u>	<u>67,608,000</u>	<u>67,608,000</u>
Total loans and borrowings:					
Redeemable convertible preference shares	(a)	67,608,000	67,608,000	67,608,000	67,608,000
Term loans	(b)	7,485,972	9,058,486	-	-
		<u>75,093,972</u>	<u>76,666,486</u>	<u>67,608,000</u>	<u>67,608,000</u>

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS (continued)

(a) Redeemable convertible preference shares ("RCPS")

- (i) On 3 February 2022, the Company obtained shareholders' approval through Extraordinary General Meeting on the proposal of the issuance of up to 112,680,000 units of RCPS at an issue price of RM1.00 per RCPS.
- (ii) On 28 February 2025, the Deed of Variation became unconditional upon obtaining the approval from the shareholders of the Company at the Extraordinary General Meeting.

	Original provision in Clause 11A of the Constitution	Amendments to Clause 11A of the Constitution
Tenure	: The tenure of the RCPS shall be up to thirty-six (36) months commencing from and inclusive of the Issue Date of the 1st sub tranche of Tranche 1 up to the Maturity Date.	The tenure of the RCPS shall be up to seventy-two (72) months commencing from and inclusive of the Issue Date of the 1st sub tranche of Tranche 1 up to the Maturity Date.
Maturity date	: The Maturity Date shall be the Business Day immediately before the 3 rd anniversary of the date of Issue Date of the 1st sub-tranche of Tranche 1.	The Maturity Date shall be the Business Day immediately before the 6 th anniversary of the date of Issue Date of the 1st sub-tranche of Tranche 1.
Conversion cap	: The extent of conversion of RCPS by the Holder of RCPS shall be capped such that its resultant ordinary shareholding in the Company shall not exceed 20% of the enlarged number of issued ordinary shares of the Company at any point in time following any exercises of Conversion Rights.	The extent of conversion of RCPS by the Holder of RCPS shall be capped such that its resultant ordinary shareholding in the Company shall not exceed 30% of the enlarged number of issued ordinary shares of the Company at any point in time following any exercises of Conversion Rights.

- (iii) The salient terms of the RCPS are as follows:

Tenure	: Up to 72 months commencing from and inclusive of the Issue Date of the 1 st sub-tranche of Tranche 1 up to the Maturity Date.
Maturity date	: The business day immediately before the 6 th anniversary of the date of Issue Date of 1 st sub-tranche of Tranche 1.
Dividend	: The RCPS shall carry the right to receive out of profits of the Company a cumulative preferential dividend at the rate of 2% per annum calculated based on the aggregate subscription price of the RCPS at the Issue Price.

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS (continued)

(a) Redeemable convertible preference shares ("RCPS") (continued)

(iii) The salient terms of the RCPS are as follows: (continued)

Conversion right : RCPS may be converted into the duly authorised, validly issued, fully paid and unencumbered Conversion Share(s) based on the Conversion Price, at any time during the Conversion Period.

The Conversion Rights confer the holder of RCPS the right to convert the RCPS into Conversion Share(s) which will be subject to adjustments from time to time at the determination of our Board in consultation with the approved advisers and certified by the auditors of the Company, in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the Constitution.

Any fractions of a share will be disregarded and not be issued on conversion, the shares shall be issued to the nearest whole share and no adjustment or cash payment will be made in respect thereof.

Conversion price : 88% of the average daily Closing Price on any 3 consecutive business days during the 10 business days immediately preceding the relevant conversion date of the RCPS, subject to the Minimum Conversion Price and subject to the adjustments in the manner provided in the Subscription Agreement.

Conversion upon maturity : Any remaining outstanding RCPS must be converted into Conversion Shares on the Maturity Date unless the Company exercises its rights in respect of the Non-Event of Default Redemption prior to the Maturity Date, together with payment by the Company of all accumulated and unpaid dividend accrued on the converted RCPS.

Conversion cap : The extent of conversion of RCPS by the Subscriber shall be capped such that its resultant ordinary shareholding in the Company shall not exceed 30% of the enlarged number of issued ordinary shares of the Company at any point in time following any exercises of Conversion Rights.

Redemption period : Subject to the Companies Act 2016, the RCPS (at any number) can be redeemed at the option of the issuer. On the Maturity Date, any remaining outstanding RCPS must be converted into new Ireka Shares unless redeemed by Company.

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS (continued)

(b) Term loans

The term loans of the Group are secured by:

- (i) first legal charge over the respective freehold land and buildings of certain subsidiaries as disclosed in Notes 5 and 13;
- (ii) corporate guarantee by the Company; and
- (iii) personal guarantee by certain directors.

(c) The interest rates of the loans and borrowings at the reporting date are as follows:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Redeemable convertible preference shares	2.00	2.00	2.00	2.00
Term loans	12.00	12.00	-	-

23. RETIREMENT BENEFITS OBLIGATION

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Non-current:				
Retirement benefits obligation	588,084	588,241	410,069	379,122

The movements in the retirement benefits obligation in the statements of financial position are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
At beginning of the financial year	588,241	864,306	379,122	716,473
Current service costs and interest expense (Note 30)	75,479	101,474	37,611	74,574
Remeasurement of actuarial loss/(gain) from financial assumption	7,035	(377,539)	76,006	(411,925)
Benefits paid	(82,671)	-	(82,670)	-
At end of the financial year	588,084	588,241	410,069	379,122

NOTES TO THE FINANCIAL STATEMENTS

23. RETIREMENT BENEFITS OBLIGATION (continued)Significant actuarial assumptions

The significant actuarial assumptions applied in the measurement of defined benefits pension plan are as follows:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Discount rate	4.27	4.39	4.27	4.39
Salary increase rate	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>

Assumptions on future mortality are determined based on the published past statistics and actual experience in each jurisdiction. The measurements assume an average life expectancy ranging from 15 years to 22 years for an employee retiring at age 60.

Sensitivity analysis

The sensitivity of the defined benefits obligation to the significant actuarial assumptions at the end of the reporting period are shown below:

	Reasonably possible change in assumption	Group Effect on defined benefits obligation		Company Effect on defined benefits obligation	
		Increase RM	Decrease RM	Increase RM	Decrease RM
2025					
Discount rate	1%	(50,951)	59,100	(32,688)	38,153
Salary growth rate	1%	<u>58,063</u>	<u>(51,075)</u>	<u>37,482</u>	<u>(32,767)</u>
2024					
Discount rate	1%	(49,805)	57,991	(27,423)	31,897
Salary growth rate	1%	<u>57,043</u>	<u>(49,980)</u>	<u>31,377</u>	<u>(27,520)</u>

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefits obligation as a result of reasonable changes in significant actuarial assumptions occurring at the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

24. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Current:					
Trade					
Third parties	(a)	30,948,271	54,100,520	-	-
Non-trade					
Other payables	(b)	41,721,214	40,201,015	5,057,732	7,075,022
Accruals		28,535,272	25,667,694	23,175,358	21,237,356
Advances received		10,547,156	11,544,597	-	-
Amounts owing to subsidiaries	(c)	-	-	24,272,048	9,351,832
Amounts owing to related parties	(d)	470,314	-	467,341	-
Amounts owing to directors	(e)	3,983,807	7,610,623	3,975,156	4,311,766
Deposits received		1,091,661	162,698	5,140	132,444
		86,349,424	85,186,627	56,952,775	42,108,420
Total trade and other payables		117,297,695	139,287,147	56,952,775	42,108,420

- (a) Trade payables of the Group are non-interest bearing and the normal trade credit terms granted to the Group ranging from 30 to 90 days (2024: 30 to 90 days). The retention sum was payable upon the expiry of the defect liability period.
- (b) Certain other payables of the Group amounted to RM7,500,000 are non-trade in nature, interest-free, repayable on demand and are secured by property under development as disclosed in Note 13.
- (c) The amounts owing to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.
- (d) Certain amount owing to related parties amounted to RM210,000 are non-trade in nature, unsecured, repayable upon demand and bears interest at rate of 18% per annum. The remaining amounts owing to related parties are non-trade in nature, unsecured, interest-free and repayable on demand.
- (e) The amounts owing to directors are non-trade in nature, unsecured, interest-free and repayable on demand.
- (f) For explanation on the Group's and the Company's liquidity risk management processes, refer to Note 34(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS

25. PROVISIONS

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Current:					
Legal claims	(a)	179,140	204,280	-	25,140
Onerous contracts	(b)	24,265,921	17,439,485	-	-
Corporate guarantee	(c)	18,068,434	22,380,507	18,068,434	22,380,507
		<u>42,513,495</u>	<u>40,024,272</u>	<u>18,068,434</u>	<u>22,405,647</u>

Movements in each class of provisions are as follows:

	Corporate guarantee RM	Legal claims RM	Onerous contracts RM	Total RM
Group				
At 1 July 2023	22,604,899	322,258	16,140,798	39,067,955
Recognised in profit or loss	2,104,773	25,140	11,168,613	13,298,526
Repayment of corporate guarantee	(2,329,165)	-	-	(2,329,165)
Reversal of legal claims	-	(143,118)	-	(143,118)
Reversal of onerous contract	-	-	(9,869,926)	(9,869,926)
At 30 June 2024	22,380,507	204,280	17,439,485	40,024,272
Recognised in profit or loss	2,003,808	111	6,826,436	8,830,355
Repayment of corporate guarantee	(6,315,881)	-	-	(6,315,881)
Repayment of legal claims	-	(25,251)	-	(25,251)
At 30 June 2025	<u>18,068,434</u>	<u>179,140</u>	<u>24,265,921</u>	<u>42,513,495</u>

NOTES TO THE FINANCIAL STATEMENTS

25. PROVISIONS (continued)

Movements in each class of provisions are as follows: (continued)

	Corporate guarantee RM	Legal claims RM	Total RM
Company			
At 1 July 2023	22,604,899	143,118	22,748,017
Recognised in profit or loss	2,104,773	25,140	2,129,913
Repayment of corporate guarantee	(2,329,165)	-	(2,329,165)
Reversal of legal claims	-	(143,118)	(143,118)
At 30 June 2024	22,380,507	25,140	22,405,647
Recognised in profit or loss	2,003,808	111	2,003,919
Repayment	(6,315,881)	(25,251)	(6,341,132)
At 30 June 2025	18,068,434	-	18,068,434

(a) Legal claims

The provisions relate to litigation claims brought against the Group by its suppliers and sub-contractors. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts as provided in the financial statements.

(b) Onerous contracts

During the ordinary course of business, the Group entered into contracts with customers to develop and sell residential properties. The costs to complete are higher than the prices fixed when initially entering into the contracts. As such, a provision is recognised for the expected costs required to fulfil the requirements in excess of the contract revenue.

(c) Corporate guarantees contracts

The corporate guarantees are contracts that require the Group and the Company to make specific payments to reimburse the holders for a loss it incurs because a specified debtor fails to make payments when due.

NOTES TO THE FINANCIAL STATEMENTS

26. REVENUE

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue from contracts customers				
Over time:				
Constructions	10,246,620	-	-	-
Property development	22,010,587	36,664,667	-	-
	<u>32,257,207</u>	<u>36,664,667</u>	<u>-</u>	<u>-</u>
Revenue from other sources:				
Management fees	-	-	3,439,900	3,459,028
Rental income	191,012	150,452	-	-
	<u>191,012</u>	<u>150,452</u>	<u>3,439,900</u>	<u>3,459,028</u>
	<u>32,448,219</u>	<u>36,815,119</u>	<u>3,439,900</u>	<u>3,459,028</u>

27. COST OF SALES

	Group	
	2025	2024
	RM	RM
Cost of construction services	8,810,178	-
Cost of properties under development	21,913,233	48,437,750
Cost of inventories sold	6,826,436	11,168,613
Cost of services rendered	755,134	959,240
	<u>38,304,981</u>	<u>60,565,603</u>

NOTES TO THE FINANCIAL STATEMENTS

28. OTHER INCOME

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Deposit received forfeited	100	910	-	-
Dividend income	-	18	-	18
Gain on disposal of property, plant and equipment	230	483,089	230	135,090
Gain on disposal of subsidiaries	-	3,432,552	-	-
Gain on fair value adjustment on other investments	116,410	-	116,410	-
Gain on fair value adjustment on investment properties	810,963	-	-	-
Gain on foreign exchange differences				
- unrealised	-	219	-	219
- realised	693	-	693	-
Gain on derecognition of right-of-use assets	2,494	-	-	-
Interest income on:				
- amounts owing by subsidiaries	-	-	206,263	206,170
- deposits, cash and bank balances	87,665	121,979	79,236	86,635
- finance lease receivables	13,756	45,178	13,756	45,178
Liquidated and ascertained damages income	3,191,000	-	-	-
Reversal of debts	17,666	-	-	-
Others	69,930	355,170	69,626	351,109
	<u>4,310,907</u>	<u>4,439,115</u>	<u>486,214</u>	<u>824,419</u>

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCE COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expense on:				
- related parties	25,425	-	25,425	-
- lease liabilities	51,956	196,481	51,956	193,737
- hire purchase	-	1,865	-	1,865
- Redeemable convertible preference shares	1,350,298	1,354,022	1,350,298	1,354,022
- term loans	1,119,227	155,225	-	-
- corporate guarantee	1,994,424	2,104,773	1,994,424	2,104,773
	<u>4,541,330</u>	<u>3,812,366</u>	<u>3,422,103</u>	<u>3,654,397</u>

30. LOSS BEFORE TAX

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration - statutory audit:				
- Baker Tilly Monteiro Heng PLT				
- current year	373,000	373,000	146,000	146,000
- over provision in the previous financial year	(18,500)	-	(20,000)	-
Other services				
- Baker Tilly Monteiro Heng PLT	7,000	43,000	7,000	43,000
- Member firms of Baker Tilly International	32,700	72,365	14,100	27,865
Bad debts written off				
- other receivables	-	1,235,522	-	1,235,522
- amount owing by associates	-	3,719,158	-	3,719,158
- prepayments	40,538	-	40,538	-
Depreciation of:				
- property, plant and equipment	149,948	357,413	48,331	254,807
- right-of-use assets	408,644	1,083,884	408,644	1,051,160
Deposit paid forfeited	-	436,160	-	436,160
Employee benefits expense (Note 31)	5,984,994	7,598,575	4,859,160	5,158,380
Expenses relating to leases of low value assets	2,916	7,414	-	-

NOTES TO THE FINANCIAL STATEMENTS

30. LOSS BEFORE TAX (continued)

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

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fair value (gain)/loss on:				
- investment properties	(810,963)	267,778	-	267,778
- asset held for sale	-	86,625	-	86,625
- other investment	(116,410)	9,385,805	(116,410)	9,385,805
Gain on disposal of subsidiaries (Note 8(b))	-	(3,432,552)	-	-
Gain derecognition on right-of-use assets	(2,494)	-	-	-
Loss on lease modification	7,275	-	7,275	-
Impairment losses on:				
- amounts owing by subsidiaries	-	-	151,580	303,333
- investment in subsidiaries	-	-	-	7,500,000
- other receivables	-	781,171	-	188,161
- trade receivables	-	75,993	-	-
Loss on lease modification	-	242,072	-	242,072
Loss/(Gain) on disposal of:				
- property, plant and equipment	(230)	(483,089)	(230)	(135,090)
- other investment (Note 11)	494,510	15,610,419	494,510	15,610,419
- investment in associates	-	-	-	300,000
Loss/(Gain) on foreign exchange				
- realised	(693)	17,619	(693)	17,619
- unrealised	44,402	(219)	44,402	(219)
Other investments written off	33,500	-	33,500	-
Property, plant and equipment written off	131,540	393,588	-	393,588
Provision for: (Note 25)				
- legal claims	111	25,140	111	25,140
- onerous contracts	6,826,436	11,168,613	-	-
- corporate guarantee	9,384	-	9,384	-
Waiver of debts	(17,666)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

31. EMPLOYEE BENEFITS EXPENSE

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Wages, salaries and emoluments		5,361,744	6,764,769	4,386,167	4,626,122
Defined contribution plan		547,771	732,332	435,382	457,684
Retirement benefits obligation	23	75,479	101,474	37,611	74,574
		<u>5,984,994</u>	<u>7,598,575</u>	<u>4,859,160</u>	<u>5,158,380</u>

Included in employee benefits expense are:

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company					
Executive directors:					
Salaries and other emoluments		1,499,822	1,393,191	1,499,822	1,393,191
Defined contribution plan		160,200	151,200	160,200	151,200
		<u>1,660,022</u>	<u>1,544,391</u>	<u>1,660,022</u>	<u>1,544,391</u>
Non-executive directors:					
Fees		146,494	180,500	146,494	180,500
Directors of subsidiaries					
Executive directors:					
Salaries and other emoluments		155,889	-	-	-
Defined contribution plan		16,800	-	-	-
		<u>172,689</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total directors' remuneration		<u>1,979,205</u>	<u>1,724,891</u>	<u>1,806,516</u>	<u>1,724,891</u>

NOTES TO THE FINANCIAL STATEMENTS

31. EMPLOYEE BENEFITS EXPENSE (continued)

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Other key management personnel				
Salaries and other emoluments	1,196,000	1,146,000	1,196,000	1,146,000
Defined contribution plan	107,780	101,280	107,780	101,280
Benefit-in-kind	11,012	14,029	11,012	14,029
	<u>1,314,792</u>	<u>1,261,309</u>	<u>1,314,792</u>	<u>1,261,309</u>
	<u>3,293,997</u>	<u>2,986,200</u>	<u>3,121,308</u>	<u>2,986,200</u>

32. TAX CREDIT

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Statements of comprehensive income				
Current income tax:				
- Current income tax charge	1,058	8,482	-	-
- Adjustment in respect of prior financial year	<u>(7,452)</u>	<u>(12,641)</u>	<u>-</u>	<u>-</u>
	<u>(6,394)</u>	<u>(4,159)</u>	<u>-</u>	<u>-</u>
Deferred tax (Note 12):				
- Reversal of temporary differences	<u>(81,097)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(81,097)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tax credit	<u>(87,491)</u>	<u>(4,159)</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

32. TAX CREDIT (continued)

Domestic income tax is calculated at the Malaysia statutory income tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

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

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Loss before tax	<u>(20,267,252)</u>	<u>(67,590,892)</u>	<u>(8,744,131)</u>	<u>(47,819,914)</u>
Tax at Malaysian statutory income tax rate of 24%	(4,864,140)	(16,221,814)	(2,098,591)	(11,476,779)
Non-taxable income	(769,989)	(38,736,075)	(27,938)	(81,173)
Non-deductible expenses	715,959	41,304,022	620,158	6,366,403
Deferred tax assets not recognised during the financial year	4,838,131	13,662,349	1,506,371	5,191,549
Adjustments in respect of prior financial year				
- current income tax	<u>(7,452)</u>	<u>(12,641)</u>	<u>-</u>	<u>-</u>
Tax credit	<u>(87,491)</u>	<u>(4,159)</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

33. LOSS PER SHARE

Basic loss per share are based on loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year, calculated as follows:

	Group	
	2025	2024
	RM	RM
Loss attributable to owners of the Company	<u>(19,069,043)</u>	<u>(59,560,753)</u>
Weighted average number of ordinary shares for basic loss per share	<u>211,943,803</u>	<u>211,943,803</u>
Basic loss per ordinary share (sen)	<u>(9.00)</u>	<u>(28.10)</u>

The diluted loss per share of the Group for the financial year ended 30 June 2025 are same as the basic loss per share of the Group as there is anti-dilutive effect on loss per share.

NOTES TO THE FINANCIAL STATEMENTS

34. 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:

	Carrying amount RM	Amortised cost RM
2025		
Financial assets		
Group		
Trade and other receivables, net of advances to suppliers and prepayments	22,421,574	22,421,574
Deposits, cash and bank balances	7,151,855	7,151,855
	<u>29,573,429</u>	<u>29,573,429</u>
Company		
Trade and other receivables and prepayments	15,028,104	15,028,104
Deposits, cash and bank balances	3,920,090	3,920,090
	<u>18,948,194</u>	<u>18,948,194</u>
Financial liabilities		
Group		
Loans and borrowings	75,093,972	75,093,972
Trade and other payables and net of advances received	106,750,538	106,750,538
	<u>181,844,510</u>	<u>181,844,510</u>
Company		
Loans and borrowings	67,608,000	67,608,000
Trade and other payables	56,952,775	56,952,775
	<u>124,560,775</u>	<u>124,560,775</u>

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM
2024			
Financial assets			
Group			
Other investments	2,848,371	-	2,848,371
Trade and other receivables, net of advances to suppliers and prepayments	41,501,173	41,501,173	-
Deposits, cash and bank balances	9,446,043	9,446,043	-
	<u>53,795,587</u>	<u>50,947,216</u>	<u>2,848,371</u>
Company			
Other investments	2,848,371	-	2,848,371
Trade and other receivables, net of prepayments	10,854,222	10,854,222	-
Deposits, cash and bank balances	3,489,155	3,489,155	-
	<u>17,191,748</u>	<u>14,343,377</u>	<u>2,848,371</u>
Financial liabilities			
Group			
Loans and borrowings	76,666,486	76,666,486	-
Trade and other payables, net of advances received	127,742,550	127,742,550	-
	<u>204,409,036</u>	<u>204,409,036</u>	<u>-</u>
Company			
Loans and borrowings	67,608,000	67,608,000	-
Trade and other payables	42,108,420	42,108,420	-
	<u>109,716,420</u>	<u>109,716,420</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(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 and liquidity 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 operate within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Group Managing Director and does not trade in derivative financial instruments. Financial risk management is carried through internal control systems and adherence to the Group's and the Company's financial risk management policies.

(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 their operating activities (primarily trade receivables) and from their financing activities, including deposits with banks and financial institutions 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 quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

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 is represented by the 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 considers 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.

At the end of the reporting period, 29% of the trade receivables of the Group were owed by 1 major customer.

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

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 follows:

	Group	
	2025 RM	2024 RM
Trade receivables		
Property development	13,266,758	37,648,646
Construction services	5,476,323	25,621
Trading and services	6,199	7,123
Others	2,174	252,933
	<u>18,751,454</u>	<u>37,934,323</u>
Contract assets		
Property development	-	6,911,465
Construction services	28,603	-
	<u>28,603</u>	<u>6,911,465</u>

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

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

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

	Group 2025 RM	2024 RM
Gross carrying amount at default		
Contract assets	28,603	6,911,465
Current	4,905,175	36,796,419
1 to 30 days past due	170	1,676
31 to 60 days past due	-	1,688
121 to 150 days past due	-	232,079
More than 150 days past due	13,846,109	902,461
Trade receivables	18,751,454	37,934,323
Impaired individually	4,202,241	4,202,241
	<u>22,982,298</u>	<u>49,048,029</u>

Other receivables and other financial assets

For other receivables and other financial assets (including deposits, cash and bank balances), 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 is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

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 credit term in making a contractual payment.

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

Finance lease receivables

The credit risk associated with finance lease receivables is mitigated by way of obtaining security over the leased equipment. At the reporting date, the Company's maximum exposure to credit risk is represented by the carrying amounts recognised in the statements of financial position.

As at the end of reporting date, the Group and the Company consider the finance lease receivables as low credit and any loss allowance would be negligible.

Financial guarantees contract

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM7,485,972 (2024: RM8,074,486).

(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, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

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

	Carrying amount RM	← Contractual undiscounted cash flows →		Total RM
		On demand or within 1 year RM	Between 1 and 5 years RM	
Group				
2025				
Financial liabilities:				
Trade and other payables	117,297,694	117,297,694	-	117,297,694
Lease liabilities	967,171	665,351	332,675	998,026
Redeemable convertible preference shares	67,608,000	1,352,160	70,312,320	71,664,480
Term loans	7,485,972	7,485,972	-	7,485,972
	<u>193,358,837</u>	<u>126,801,177</u>	<u>70,644,995</u>	<u>197,446,172</u>
2024				
Financial liabilities:				
Trade and other payables	139,287,147	139,287,147	-	139,287,147
Lease liabilities	1,634,872	700,679	1,018,634	1,719,313
Redeemable convertible preference shares	67,608,000	68,960,160	-	68,960,160
Term loans	9,058,486	9,058,486	-	9,058,486
	<u>217,588,505</u>	<u>218,006,472</u>	<u>1,018,634</u>	<u>219,025,106</u>

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

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

		← Contractual undiscounted cash flows →			
	Carrying amount RM	On demand or within 1 year RM	Between 1 and 5 years RM		Total RM
Company					
2025					
Financial liabilities:					
Trade and other payables	56,952,775	56,952,775	-		56,952,775
Lease liabilities	967,171	665,351	332,675		998,026
Redeemable convertible preference shares	67,608,000	1,352,160	70,312,320		71,664,480
Financial guarantee contracts	-	7,485,972	-		7,485,972
	<u>125,527,946</u>	<u>66,456,258</u>	<u>70,644,995</u>		<u>137,101,253</u>
2024					
Financial liabilities:					
Trade and other payables	42,108,420	42,108,420	-		42,108,420
Lease liabilities	1,580,565	665,351	998,026		1,663,377
Redeemable convertible preference shares	67,608,000	68,960,160	-		68,960,160
Financial guarantee contracts	-	8,074,486	-		8,074,486
	<u>111,296,985</u>	<u>119,808,417</u>	<u>998,026</u>		<u>120,806,443</u>

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(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.

The carrying amounts of floating rate loans are reasonable approximation of fair value as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either directions).

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

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

	Carrying amount RM	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		RM	RM	RM	RM	RM	RM	RM	RM
Group									
2025									
Financial liabilities									
Redeemable convertible preference shares	67,608,000	-	-	-	-	-	-	71,664,480	71,664,480
Term loans	7,485,972	-	-	-	-	-	-	7,485,972	7,485,972
2024									
Financial assets									
Other investments	2,848,371	2,814,871	-	33,500	2,848,371	-	-	-	-
Financial liabilities									
Redeemable convertible preference shares	67,608,000	-	-	-	-	-	-	68,960,160	68,960,160
Term loans	9,058,486	-	-	-	-	-	-	9,058,486	9,058,486

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

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

	Carrying amount RM	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Company									
2025									
Financial liabilities									
Redeemable convertible preference shares	67,608,000	-	-	-	-	-	-	71,664,480	71,664,480
2024									
Financial assets									
Other investments	2,848,371	2,814,871	-	33,500	2,848,371	-	-	-	-
Financial liabilities									
Redeemable convertible preference shares	67,608,000	-	-	-	-	-	-	73,016,640	73,016,640

NOTES TO THE FINANCIAL STATEMENTS

35. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be 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;
- (iii) Entities in which directors have substantive financial interest;
- (iv) Close members of the family of a directors; and
- (v) Key management personnel of the Group's and of the Company's holding 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:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Subsidiaries				
Interest income	-	-	(206,263)	(206,170)
Management fees	-	-	(3,439,900)	(3,459,028)
Purchase of goods/services	-	-	29,121	36,000
Related parties				
Interest expense	25,425	-	25,425	-
Purchase of goods/services	122,439	-	122,439	-
Purchase of property, plant and equipment	4,365	-	4,365	-
Disposal of property, plant and equipment	(500)	-	(500)	-
Rental income	(166,338)	(232,890)	(166,338)	(232,890)

NOTES TO THE FINANCIAL STATEMENTS

35. RELATED PARTIES (continued)**(b) Significant related party transactions** (continued)

Information on the outstanding balances with related parties at the end of the reporting period are disclosed in Notes 14 and 24.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 34(b)(i).

(c) Compensation of key management personnel

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Short-term employee benefits	2,998,205	2,719,691	2,842,316	2,719,691
Defined contribution benefits	284,780	252,480	267,980	252,480
Benefits-in-kind	11,012	14,029	11,012	14,029
	<u>3,293,997</u>	<u>2,986,200</u>	<u>3,121,308</u>	<u>2,986,200</u>

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the services. The operating segment reporting are organised and managed separately according to the nature of the services provided, with each segment representing a business unit that serves different markets.

The Group Managing Director (the chief operating decision maker) reviews internal management report regularly on a quarterly basis.

The 5 main reportable operating segments are as follows:-

Segments	Products and services
Construction	General contractors in the construction industry
Property development	Development of commercial and residential properties
Trading and services	Trading of construction materials and computer software
Investment holding	Investment holding and provision of management services
Property investment	Rental of investment properties

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is prepared based on the Group's management reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Inter-segment pricing is determined based on negotiated terms.

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
2025							
Revenue							
External sales	10,246,620	22,010,587	-	-	191,012	-	32,448,219
Inter-segment sales	-	-	552,000	3,439,900	39,081	(4,030,981)	-
Total revenue	10,246,620	22,010,587	552,000	3,439,900	230,093	(4,030,981)	32,448,219
Results							
Segment results	(49,273)	(10,268,732)	(820,042)	(5,352,819)	(401,657)	1,166,601	(15,725,922)
Finance costs	-	(1,119,227)	-	(3,422,103)	(206,263)	206,263	(4,541,330)
Loss before tax	(49,273)	(11,387,959)	(820,042)	(8,774,922)	(607,920)	1,372,864	(20,267,252)
Tax credit	-	7,420	-	-	(1,026)	81,097	87,491
Loss for the financial year	(49,273)	(11,380,539)	(820,042)	(8,774,922)	(608,946)	1,453,961	(20,179,761)

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
2024							
Revenue							
External sales	-	36,664,667	-	-	150,452	-	36,815,119
Inter-segment sales	-	-	984,000	3,459,028	52,680	(4,495,708)	-
Total revenue	-	36,664,667	984,000	3,459,028	203,132	(4,495,708)	36,815,119
Results							
Segment results	(961,600)	(33,554,021)	(1,650,510)	(44,200,646)	(156,063)	16,744,314	(63,778,526)
Finance costs	-	(157,969)	-	(3,654,397)	(206,170)	206,170	(3,812,366)
Loss before tax	(961,600)	(33,711,990)	(1,650,510)	(47,855,043)	(362,233)	16,950,484	(67,590,892)
Tax (expense)/ credit	-	(8,482)	-	-	12,521	120	4,159
Loss for the financial year	(961,600)	(33,720,472)	(1,650,510)	(47,855,043)	(349,712)	16,950,604	(67,586,733)

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

2025	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
Assets							
Segment assets	6,298,654	145,575,813	3,455,826	77,003,280	17,344,786	(110,612,862)	139,065,497
Tax assets	200,213	1,312,405	165,391	-	34,741	-	1,712,750
Total assets	6,498,867	146,888,218	3,621,217	77,003,280	17,379,527	(110,612,862)	140,778,247
Liabilities							
Segment liabilities	7,888,227	148,112,068	19,759,698	144,020,016	15,517,882	(62,303,235)	272,994,656
Deferred tax liabilities	-	-	-	-	417,466	(285,953)	131,513
Total liabilities	7,888,227	148,112,068	19,759,698	144,020,016	15,935,348	(62,589,188)	273,126,169

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
2024							
Assets							
Segment assets	922,128	174,463,569	2,672,693	75,941,182	17,622,756	(91,591,866)	180,030,462
Tax assets	230,069	2,089,768	183,055	-	41,208	-	2,544,100
Total assets	1,152,197	176,553,337	2,855,748	75,941,182	17,663,964	(91,591,866)	182,574,562
Liabilities							
Segment liabilities	2,458,798	166,426,255	18,170,166	134,106,990	15,193,373	(41,828,872)	294,526,710
Deferred tax liabilities	-	-	-	-	417,466	(204,856)	212,610
Total liabilities	2,458,798	166,426,255	18,170,166	134,106,990	15,610,839	(42,033,728)	294,739,320

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
2025							
Other segment items							
Capital expenditure:							
- property, plant and equipment	-	-	-	4,365	-	-	4,365
Depreciation of:							
- property, plant and equipment	-	30,173	6,999	48,331	-	64,445	149,948
- right-of-use assets	-	-	-	408,644	-	-	408,644
Fair value loss/(gain) on:							
- investment properties	-	-	-	-	-	(810,963)	(810,963)
- other investments	-	-	-	(116,410)	-	-	(116,410)
(Gain)/Loss on disposal of property, plant and equipment	-	-	-	(230)	-	-	(230)
Gain on derecognition of right-of use assets	-	(2,494)	-	-	-	-	(2,494)
Loss on lease modification	-	-	-	7,275	-	-	7,275

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

2025	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
Other segment items (continued)							
Impairment losses on:							
- amounts owing by subsidiaries	-	-	-	151,580	-	(151,580)	-
Interest expense	-	1,119,227	-	3,422,103	206,263	(206,263)	4,541,330
Interest income	-	(8,429)	-	(299,255)	-	206,263	(101,421)
Prepayment written off	-	-	-	40,538	-	-	40,538
Property, plant and equipment written off	-	131,540	-	-	-	-	131,540
Provision for:							
- legal claims	-	-	-	111	-	-	111
- onerous contracts	-	6,826,436	-	-	-	-	6,826,436
- corporate guarantee	-	-	-	9,384	-	-	9,384

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

2024	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
Other segment items							
Depreciation of:							
- property, plant and equipment	-	30,821	7,336	254,807	-	64,449	357,413
- right-of-use assets	-	32,724	-	1,051,160	-	-	1,083,884
Fair value loss on:							
- investment properties	-	-	-	267,778	-	-	267,778
- other investments	-	-	-	9,385,753	-	-	9,385,753
- asset held for sale	-	-	-	86,625	-	-	86,625
Gain on disposal of property, plant and equipment	-	-	-	(135,090)	(347,999)	-	(483,089)
Loss on disposal of:							
- other investments	-	-	-	15,610,419	-	-	15,610,419
- investment in associate	-	-	-	300,000	-	(300,000)	-

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
2024							
Other segment items							
(continued)							
Impairment losses on:							
- amounts owing by related companies	-	3,985,235	3,976	303,333	-	(4,292,544)	-
- investment in subsidiaries	-	-	-	7,500,000	-	(7,500,000)	-
- other receivables	-	570,650	23,530	188,161	-	(1,170)	781,171
- trade receivables	-	75,993	-	-	-	-	75,993
Interest expense	-	157,969	-	195,602	206,170	(206,170)	353,571
Interest income	-	(35,344)	-	(337,983)	-	206,170	(167,157)
Loss on lease modification	-	-	-	242,072	-	-	242,072
Deposit forfeited	-	-	-	436,160	-	-	436,160

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENT INFORMATION (continued)

2024	Construction RM	Property development RM	Trading and services RM	Investment holding RM	Property investment RM	Adjustments and eliminations RM	Total RM
Other segment items							
(continued)							
Property, plant and equipment written off	-	-	-	393,588	-	-	393,588
Amount owing by associates written off	-	-	-	3,719,158	-	-	3,719,158
Other receivables written off	-	-	-	1,235,522	-	-	1,235,522
Provision for:							
- legal claims	-	-	-	25,140	-	-	25,140
- onerous contracts	-	11,168,613	-	-	-	-	11,168,613

Geographical information

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS

- (a) During the previous financial year and current financial year, the Company and certain subsidiaries have been involved in litigations as defendants.
- (b) The material litigations involving the Group are as follows:
 - (i) **Between Hong Leong Bank Berhad (“HLBB”) (as Plaintiff) and Ireka Engineering & Construction Sdn. Bhd. (“IECSB”) (in liquidation) (as First Defendant) and the Company (as Second Defendant)**

On 15 February 2023, the Company was served with a writ of summons and statement of claim (“the Writ”) by HLBB. HLBB’s suit is premised on a banking facility provided by HLBB to IECSB upon its appointment by Regency Specialist Hospital Sdn Bhd (“RSH”) as the main contractor for the main building works of 10-storey extension block of the Regency Specialist Hospital, Johor (“the Project”). The Company had provided a corporate guarantee in favour of HLBB as security for the repayment of the banking facilities.

When IECSB’s employment under the Project was terminated by RSH, the Performance Bond issued by HLBB for IECSB was called by RSH. As a result of the calling, it was alleged that IECSB and the Company have defaulted in its obligations to make payments to HLBB as required.

Based on the writ summons, HLBB is claiming a total sum of RM6,453,572 under the Performance Bond and overdraft facilities.

During the hearing date on 10 January 2024, the Court decided to allow HLBB’s application for summary judgment, dismissed the Company’s counter-claim and ordered the Company to pay the a total sum of RM6,453,572 together with interest which is calculated at the rate of between 1.0% and 3.5% per annum above the Base Lending Rate from 2 February 2023 until full settlement plus late payment interest at the rate of 1.0% per annum compounded monthly from 2 February 2023 until full settlement where applicable and cost of RM5,000.

Pursuant to the decision, the Company was then served with a winding up petition from HLBB on 1 July 2024. The hearing of the petition was initially fixed on 11 September 2024 and was subsequently adjourned on four occasions, namely to 16 October 2024, 28 November 2024, 13 February 2025, and finally to 6 March 2025.

On 29 November 2024, the Company and HLBB entered into a new settlement agreement wherein the payment terms and manner of settlement were revised. Pursuant to the terms of the said settlement agreement, the winding-up petition was struck out by the Court on 6 March 2025 with liberty to file afresh.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(ii) Between AmBank (M) Berhad ("AmBank") (as Plaintiff) and Ireka Engineering & Construction Sdn. Bhd. ("IECSB") (in liquidation) (as First Defendant) and the Company (as Second Defendant)

On 24 March 2023, the Company was served with a writ of summons and statement of claim ("the Writ") by AmBank. AmBank had on 12 December 2007 granted IECSB a Revolving Contract Financing Line and Overdraft Facilities (collectively referred as the "Banking Facilities Offer") as general working capital. The Company had provided a corporate guarantee in favour of AmBank as security for the repayment of the above Banking Facilities Offer.

It was alleged that IECSB and the Company have defaulted in its obligations to make payments to AmBank as required by the Banking Facilities Offer.

Based on the writ, AmBank is claiming against IECSB and the Company a total sum of RM4,235,628 on the outstanding revolving credit and overdraft facilities.

During the hearing date on 16 November 2023, the Court decided to allow AmBank application for Summary Judgment and ordered us to pay the following:

- 1) A sum of RM1,138,175 together with late payment interest at a rate of 4.0% per annum above the Plaintiff's Base Loan Rate (The Plaintiff's Base Loan Rate on 31 July 2023 is at a rate of 6.7% and is further subject to change at any time and from time to time at the absolute discretion of the Plaintiff) and to be calculated monthly from 1 August 2023 until the date of full settlement.
- 2) A sum of RM3,082,393 together with interest at the rate of 3.5% per annum above the Plaintiff's Base Loan Rate (The Plaintiff's Base Loan Rate on 31 July 2023 is at a rate of 6.7% and is further subject to change at any time and from time to time at the absolute discretion of the Plaintiff) to be calculated monthly from 1 August 2023 until the date of full settlement.

Pursuant to the judgment, the Company was then served with a winding up petition from AmBank on 8 January 2024. The hearing date for the petition is fixed on 17 April 2024. Since then, the hearing date has been adjourned five times from 17 April 2024 to 26 July 2024, 10 October 2024, 2 January 2025, 6 May 2025 and finally to 23 June 2025.

During the hearing scheduled on 23 June 2025, in view of the settlement entered between AmBank and the Company, the winding-up petition was struck out by the Court with liberty to file afresh.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(iii) Between RHB Bank Berhad (“RHB”) (as Plaintiff) and Ireka Engineering & Construction Sdn. Bhd. (“IECSB”) (in liquidation) (as First Defendant) and the Company (as Second Defendant)

On 13 February 2024, the Company was served with a Writ of Summons and Statement of Claim (“the Writ”) by RHB.

RHB had on 6 January 2015 and 18 April 2017, granted IECSB a Revolving Credit Facility (“Banking Facility Offer”) of RM6,500,000 with a corporate guarantee executed on 12 September 2000 in favour of RHB as security for the repayment of the Banking Facility Offer.

On 28 June 2023, the Company entered into a settlement agreement with RHB whereby the Company undertake to pay IECSB’s outstanding amount under the Banking Facility Offer to RHB in stages. However, since the Company was unable to honour the settlement agreement, RHB decided to terminate the Settlement Agreement on 8 December 2023.

Thereafter, the Company has further proposed a revised scheduled payment to RHB on 22 December 2023. However, the proposed terms of repayment were rejected by RHB on 10 January 2024. The Company is continuing its efforts to negotiate a revised payment term which is acceptable by RHB. The outstanding amount claimed by RHB is stood at RM6,528,991.

The Company has filed its Defence on 20 March 2024.

On 21 March 2024, the Bank filed an application for summary judgment against the Company. An Affidavit in Reply was then filed by the Company on 4 April 2024, which was then replied by the Bank vide their Affidavit in Reply on 18 April 2024.

On 2 August 2024, the Company had received a copy of the fair court order (“Court Order”) whereby the High Court of Kuala Lumpur has allowed RHB’s application for Summary Judgement against the Company. On 18 February 2025, RHB agreed to a new settlement agreement, whereby the payment terms and manner were revised.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(iv) Between Ideal Land Holdings Sdn. Bhd. and Eccaz Sdn. Bhd. (as Plaintiffs) and the Company, United Time Development Sdn. Bhd., Ireka Properties Sdn. Bhd., Meadowfield Sdn. Bhd. and Regal Variety Sdn. Bhd. (as Defendants)

On 22 November 2023, the Company and its subsidiaries which are United Time Development Sdn. Bhd., Ireka Properties Sdn. Bhd., Meadowfield Sdn. Bhd. and Regal Variety Sdn. Bhd. ("Buyback Subsidiaries") ("collectively known as the defendants") along with certain former and current directors were served with a writ summons and statement of claim ("the Writ") from Ideal Land Holdings Sdn Bhd and Eccaz Sdn Bhd ("the Plaintiffs").

The Writ is premised on the following cause of actions:

- (i) Failure of the Company to repay the advances made by the Plaintiff's to the Company and the Buyback Subsidiaries amounting to RM16,575,356.26. The advancements were allegedly made by the Plaintiff during the negotiating period between 5 July 2021 to 31 August 2022 for among others, the construction of projects, payments to financial institutions, working capital, staff salaries and administration cost; and
- (ii) Failure of the current and former directors to procure the Company to enter into an agreement for Ideal Land Holdings Sdn Bhd to acquire back the Buyback Subsidiaries, in breach of their undertaking under the previous Share Sale Agreement of the Company.

The Plaintiffs claims:

- 1) United Time Development Sdn. Bhd. RM5,240,000;
- 2) Ireka Properties Sdn. Bhd. RM9,361,356.26;
- 3) Meadowfield Sdn. Bhd. RM1,530,000; and
- 4) Regal Variety Sdn. Bhd. RM444,000.

The Defendants filed its Defence on 29 January 2024. The Plaintiffs then filed their Reply to Defence on 1 March 2024.

The Plaintiffs also filed a summary judgment application against UTD, IPSB, MSB and RVSB, which was dismissed by the Court during the hearing held on 16 April 2024.

The trial commenced and was conducted on 21 April 2025 and 28 April 2025, with the remaining trial dates originally fixed on 11, 13 and 15 August 2025 and 27 February 2026.

However, during the case management held on 4 August 2025, the trial dates of 11, 13, and 15 August 2025 were vacated. The trial date on 27 February 2026 remains unchanged. During the case management held on 27 August 2025 the new trial dates are: 27 February 2026, 16 June 2026 and 10 July 2026.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(v) **Between One Industrial (M) Sdn. Bhd. (“OISB”) (as Plaintiff) and Shoraka Construction Sdn. Bhd. (“SCSB”) (as Defendant)**

On 7 August 2023, OISB has served with an Originating Summons (“OS”) and Affidavit in Support against IECSB. The OS is premised on 2 units of industrial factories at ASTA Project, which were purchased by OISB from IECSB. Contrary to a normal sale and purchase transaction, the 2 units were purchased by way of contra arrangement whereby in consideration of the 2 units being transferred to OISB, the outstanding amount owed by IECSB to OISB is offset against the amount owing and a 100% credit notes equivalent to the purchase price were issued to OISB. However, since the ASTA Project was taken over by SCSB via a Sale and Purchase Agreement dated 9 January 2023 (“SPA”) and Power of Attorney dated 10 January 2023 duly registered in the High Court, SCSB has cancelled the credit notes and issued new credit and debit notes based on the actual progress billings.

Under the OS, OISB is seeking for, among others, declaration that the 100% credit notes were wrongly cancelled by SCSB and SCSB is holding the units on trust for OISB.

SCSB has filed and served its Affidavit in Reply on 7 September 2023 which thereafter was replied by OISB vide their Affidavit in Reply on 29 September 2023.

Vide a letter dated 5 October 2023, the liquidator of IECSB is intending to invoke Section 528 of the Companies Act 2016 in declaring the SPA void and thus, ASTA Project will fall back under the jurisdiction of IECSB. On 17 March 2024, SCSB had filed an application to strike out the OS together with an Affidavit in Support. OISB then filed and served their Affidavit in Reply on 26 March 2024, which was then replied by SCSB vide an Affidavit in Reply dated 22 April 2024.

During the hearing scheduled on 17 October 2024, the Court decided in favour of OISB and ordered as follows:

- 1) OISB’s OS is allowed with costs of RM30,000 to be paid by SCSB; and
- 2) SCSB’s striking out application is dismissed for costs of RM20,000 to be paid by OISB.

SCSB has on 15 November 2024 filed a Notice to Appeal to the Court of Appeal. The case is now fixed for hearing at the Court of Appeal on 3 February 2026.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(vi) **Between Leow Peng Seong (“LPS”) (as Plaintiff) and United Time Development Sdn. Bhd. (“UTDSB”) (as Defendant)**

On 6 May 2024, UTDSB was served with a copy of Originating Summons (“OS”) by LPS. LPS is a director of Quality Parts Sdn Bhd (“QPSB”), a supplier of Ireka Engineering & Construction Sdn Bhd (“IECSB”), a wholly owned subsidiary of the Company which is currently under liquidation. Between 2018 to 2021, QPSB sold and delivered goods to IECSB and there was an outstanding amount owing by IECSB to QPSB (“Principal Outstanding Sum”).

The OS is premised on one unit of service apartment (“the Property”) at KaMi Mont’ Kiara, which was purchased by LPS by way of contra arrangement whereby the purchase price of the Property amounting to RM1,680,000 was fully offset by the Principal Outstanding Sum owed by IECSB to QPSB. IECSB then undertook to successively pay the stage progress billing of the Property to UTDSB, the developer of KaMi Mont’ Kiara as and when they become due.

However, since IECSB was placed into a creditors’ voluntary winding up on 11 May 2023, UTDSB had requested LPS to directly settle the remaining stage progress billing amounts, taking into consideration that IECSB is no longer in a position to make the required payment to UTDSB. The subsequent failure by LPS to adhere to the payment request resulted in the termination of the SPA, which consequently prompted the commencement of the OS.

Under the OS, LPS is seeking from court, among others, the following reliefs:

- 1) A declaration that the termination of the SPA by UTDSB is invalid and ineffective;
- 2) A declaration that the SPA is still valid and enforceable; and
- 3) An order from court enforcing UTDSB to perform the terms and conditions of the SPA.

The matter is now fixed for trial on 5 October 2026 to 7 October 2026.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(vii) Between former directors and former employees (as Plaintiffs) and Ireka Properties Sdn. Bhd. and the Company (as Defendants)

On 27 June 2024, the Company and its wholly owned subsidiary, Ireka Properties Sdn. Bhd. ("IPSB") were each served with a copy of Writ of Summons and Statement of Claims ("the Suits") filed by former directors and former employees ("the Plaintiffs") of Ireka Corporation Berhad and IPSB respectively.

The suits are premised on, among others, payment of the Plaintiffs' alleged salaries, allowances, bonuses, retirement benefits and directors' fees for the period of 2017 to 2021 ("Claims Period").

During the Claims Period, the Company and IPSB were run and controlled by the previous management team, which includes some of the Plaintiffs in the suits.

The total amount of claim by the Plaintiffs against the Company is RM11,270,330.40 and the total amount of claim by the Plaintiffs against IPSB is RM270,185.35.

On 8 August 2024, the Defendants filed its Defence and Counter-Claim, which was replied by the Plaintiffs on 5 September 2024.

The Plaintiffs then filed an application for Summary Judgment on 5 September 2024, which was replied by the Defendants on 3 October 2024. During the hearing date held on 4 December 2024, the Court dismissed the Plaintiffs' Summary Judgment.

On 19 February 2025, the Plaintiffs filed an application for discovery and interrogatories, which was heard on 31 July 2025. During the hearing, Court has instructed the Defendants to comply with the discovery and interrogatories application within 30 days.

The Court has also fixed the trial date from 5 March 2029 until 9 March 2029 and 12 March 2029.

(viii) Scheme of application filed by United Time Development Sdn Bhd ("the Applicant") for KaMi Project Pursuant to Section 366 of the Companies Act 2016

Messrs Chuah Qian & Partners at the Shah Alam High Court of Malaya.

The circumstances leading to the filing are as follows:

- i. There was a delay in the handover of units to purchasers of the KaMi Mont' Kiara Project ("KaMi"), resulting in the incurrence of Liquidated Ascertained Damages ("LAD").
- ii. Some purchasers who signed the Sale and Purchase Agreement ("SPA") without obtaining financing elected to deduct LAD from the instalments, leaving the Company with insufficient funds to complete rectification works.
- iii. Certain purchasers objected to the use of stakeholder-held monies for defect rectification.
- iv. In response, and with professional advice, the Applicant resolved to pursue a Scheme of Arrangement pursuant to Section 366 of the Companies Act 2016 to equitably resolve these matters.

NOTES TO THE FINANCIAL STATEMENTS

37. MATERIAL LITIGATIONS (continued)

(b) The material litigations involving the Group are as follows: (continued)

(viii) Scheme of application filed by United Time Development Sdn Bhd (“the Applicant”) for KaMi Project Pursuant to Section 366 of the Companies Act 2016 (continued)

On 7 May 2025, UTDSB filed the Scheme of Arrangement application via its solicitors,

UTDSB has identified the following classes of Scheme Creditors:

- Class 1 – Contractor:
Dwitasik Engineering & Interiors Sdn. Bhd., the rescue contractor responsible for outstanding construction and interior design works.
- Class 2 – Purchasers of KaMi:
Purchasers entitled to:
 - I. LAD under the SPA with UTDSB;
 - II. UTDSB’s contribution to service charges and sinking fund for one year from the date of delivery of vacant possession, pursuant to a letter dated 2 August 2022.

On 16 May 2025, the Court allowed the Applicant’s application and granted a Restraining Order for 90 days, whereby no legal action can be instituted or continued against UTDSB until the expiry of the Restraining Order. UTDSB is also required to conduct a court convened meeting with the Scheme Creditors within 90 days to vote on the scheme of arrangement. The court convened meeting was initially scheduled on 11 August 2025.

However, due to uncertainties regarding the recoverability of the stakeholder sums held by the appointed stakeholder, the proposed scheme of arrangement was deemed no longer viable. As a result, the scheduled meeting was adjourned, and the scheme of arrangement application was withdrawn on 11 August 2025.

One of UTDSB’s purchasers managed to obtain winding up order against UTDSB dated 21 May 2025 despite the existence of a Restraining Order obtained by UTDSB pursuant to its application for Scheme of Arrangement. UTDSB has then filed an application to set aside the winding up order on 19 September 2025. An interim stay was granted by the court on 17 October 2025, prohibiting the creditor from executing the winding up order until the set aside application is heard, which is scheduled on 4 November 2025.

UTDSB is working closely with its solicitors to address the issues at hand and to evaluate all available options.

NOTES TO THE FINANCIAL STATEMENTS

38. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) Practice Note 17 ("PN17") Issuer

On 28 February 2022, the Company had triggered the prescribed criteria under Paragraph 2.1(e) of the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Board has appointed KAF Investment Bank Berhad ("KAF") as the Principal Adviser to assist the Company in the formulation of the regularisation plan.

On 17 March 2025, Bursa Securities granted the Company 5th extension of time of six months up to 31 August 2025 to submit its regularisation plan to the relevant authorities. On 15 August 2025, the Company submitted an application to Bursa Securities seeking its approval for a further extension of time of six months for the Company to finalise and submit its proposed regularisation plan to the relevant authorities for approval.

On 25 September 2025, Bursa Securities rejected the Company's application. The securities of the Company will be de-listed on 7 October 2025 unless an appeal against the de-listing is submitted to Bursa Securities on or before 2 October 2025. The Group has submitted the appeal on 2 October 2025.

On the same date, KAF ceased to act as the Principal Adviser for the Company's proposed regularisation plan. The Company is currently in the process of identifying a replacement principal adviser to advise the Company for its next course of action.

(b) Pan Borneo project

On 7 October 2024, a wholly-owned subsidiary of the Company, Shoraka Construction Sdn. Bhd. ("SCSB") had accepted a Letter of Award ("LOA") from Gammerlite Sdn. Bhd. ("GSB") in respect of the sub-contract works for the construction of "Projek Lebuhraya Pan Borneo Sabah Fasa 1B: Menaik Taraf Jalan Dari Kampung Lumou Baru Ke Kampung Toupus (WP33)". The LOA is for a sum of RM1.07 billion and for a period of 48 months commencing on 30 September 2024.

On 8 July 2025, SCSB received a notice from GSB proposing a mutual termination of the subcontract following the termination of the Project Operation Agreement between MTD Construction Sdn. Bhd. (the main contractor) and GSB on 30 June 2025. SCSB did not agree to the proposed mutual termination as certain scopes of work had already been partially completed by SCSB and the proposed terms did not address settlement for the value of work performed or related obligations. The Group has formally communicated its disagreement to GSB and, to date, has not received a response. SCSB is in the process of engaging legal counsel to evaluate its rights and remedies under the subcontract.

NOTES TO THE FINANCIAL STATEMENTS

39. CAPITAL MANAGEMENT

The Group and the Company manage their capital to ensure that they will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The Group's and the Company's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as loans and borrowings plus payables less short-term fund and deposits, cash and bank balances.

The Group and the Company are also required to comply with the disclosure and necessary capital requirements as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The debt-to-equity ratio of the Group and the Company as at the end of the reporting year is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Loans and borrowings	75,093,972	76,666,486	67,608,000	67,608,000
Lease liabilities	967,171	1,634,872	967,171	1,580,565
Trade and other payables	<u>117,297,695</u>	<u>139,287,147</u>	<u>56,952,775</u>	<u>42,108,420</u>
	193,358,838	217,588,505	125,527,946	111,296,985
Less: Deposits, cash and bank balances	<u>(7,151,855)</u>	<u>(9,446,043)</u>	<u>(3,920,090)</u>	<u>(3,489,155)</u>
Net debts	<u>186,206,983</u>	<u>208,142,462</u>	<u>121,607,856</u>	<u>107,807,830</u>
Capital deficiency	<u>(132,347,922)</u>	<u>(112,164,758)</u>	<u>(67,718,369)</u>	<u>(58,898,232)</u>
Debt-to-equity ratio	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

* Not meaningful as the Group and the Company in capital deficiency position.

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, **DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL** and **CHAIRIL BIN MOHD TAMIL**, being two of the directors of Ireka Corporation Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the 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 30 June 2025 and of their financial performance and cash flows for the financial year ended 30 June 2025.

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

DATUK MOHD HASNUL ISMAR BIN MOHD ISMAIL
Director

CHAIRIL BIN MOHD TAMIL
Director

Date: 30 October 2025

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act 2016

I, **ANAS NASRUN BIN MOHD OSMAN**, being the officer primarily responsible for the financial management of Ireka Corporation Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements 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.

ANAS NASRUN BIN MOHD OSMAN
(MIA Membership No: 21815)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 30 October 2025.

Before me,
Chia Swee Yik (No. PJS: W861)

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

To the Members of IREKA Corporation Berhad

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Ireka Corporation Berhad, which comprise the statements of financial position as at 30 June 2025 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 ended 30 June 2025 and notes to the financial statements, including material accounting policy information, as set out on pages 53 to 154.

We do not express an opinion on the accompanying financial statements of the Group and of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. As disclosed in Note 2.6 to the financial statements, the financial statements of the Group and the Company have been prepared on the assumption that the Group and the Company will continue as going concerns. The application of going concern basis is based on the assumption that the Group and the Company will be able to realise their assets and discharge their liabilities in the normal course of business.
 - (a) As at 30 June 2025, the Group and the Company incurred a net loss of RM20,179,761 and RM8,744,131 respectively, as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM101,986,794 and RM55,857,500 respectively, and the Group and the Company recorded a capital deficiency of RM132,347,922 and RM67,718,369 respectively.
 - (b) On 28 February 2022, the Company had triggered the prescribed criteria under Paragraph 2.1(e) of the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

On 17 March 2025, Bursa Securities granted the Company 5th extension of time of six months up to 31 August 2025 to submit its regularisation plan to the relevant authorities. On 15 August 2025, the Company submitted an application to Bursa Securities seeking its approval for a further extension of time of six months for the Company to finalise and submit its proposed regularisation plan to the relevant authorities for approval.

On 25 September 2025, Bursa Securities rejected the Company's application. The securities of the Company will be de-listed on 7 October 2025 unless an appeal against the de-listing is submitted to Bursa Securities on or before 2 October 2025. The Group has submitted the appeal on 2 October 2025.

INDEPENDENT AUDITORS' REPORT

To the Members of IREKA Corporation Berhad

Basis for Disclaimer of Opinion (continued)

1. (continued)

These events or conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

The Board of Directors of the Company are of the opinion that the Group and the Company will be able to continue as going concerns for the foreseeable future. The ability of the Group and of the Company to continue as going concerns is dependent on:

- (i) the successful appeal for extension of time and successful implementation of the Group's Proposed Regularisation Plan to regularise its financial conditions to address the Group's PN17 condition;
- (ii) the ability of the Group and the Company to generate sufficient cash flows to meet the obligations of the Group and of the Company;
- (iii) the continuous supports from the financial institutions and creditors; and
- (iv) continuous effort in securing profitable projects which include actively seek out potential partners for joint ventures and tendering of new projects.

If these events are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Accordingly, the financial statements of the Group and the Company may require adjustments relating to the recoverability and classification of recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concerns.

2. As disclosed in Note 37(a) to the financial statements, during the previous financial year and the current financial year, the Company and certain subsidiaries have been involved in litigations as defendants.

As the outcome of these litigations are not presently known, we are unable to determine the effect on financial statements, if any, had the outcome of the litigations be determined.

INDEPENDENT AUDITORS' REPORT

To the Members of IREKA Corporation Berhad

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 going concerns, 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 and 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 responsibility is to conduct an audit of the Group's and the Company's financial statements in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, and to issue an auditors' report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that in our opinion:

- (i) the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.
- (ii) the accounting and other records for the matters as described in the *Basis for Disclaimer of Opinion* section have not been properly kept by the Company in accordance with the provision of the Companies Act 2016 in Malaysia.
- (iii) we have not obtained all the information and explanations that we required.

INDEPENDENT AUDITORS' REPORT

To the Members of IREKA Corporation Berhad

Other Matters

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

Ng Boon Hiang
No. 02916/03/2026 J
Chartered Accountant

Kuala Lumpur

Date: 30 October 2025

ANALYSIS OF SHAREHOLDINGS

DISTRIBUTION TABLE ACCORDING TO NUMBER OF SHARES HELD AS AT 23 OCTOBER 2025

	No. of Holders	(%)	No. of Holdings	(%)
Less Than 100	76	3.79	1,570	0.00
100 - 1,000	604	30.13	505,152	0.22
1,001 - 10,000	925	46.13	3,931,721	1.73
10,001 - 100,000	322	16.06	10,990,104	4.82
100,001 - 11,389,187 *	74	3.69	44,623,953	19.59
11,389,188 And Above **	3	0.15	167,683,200	73.62
Directors' Shareholdings	1	0.05	48,050	0.02
Total	2,005	100.00	227,783,750	100.00

NOTE: * - LESS THAN 5% OF ISSUED HOLDINGS

No. of holders 2,005

** - 5% AND ABOVE OF ISSUED HOLDINGS

No. of holdings 227,783,750

LIST OF DIRECTORS WITH REGISTERED SHAREHOLDINGS AS AT 23 OCTOBER 2025

No.	Board of Directors	Direct Interest		Indirect Interest		Total %
		No. of shares	%	No. of shares	%	
1	Tan Sri Dato' Mohd Ismail bin Che Rus (Chairman)	-	-	-	-	-
2	Mohd Hasnul Ismar bin Mohd Ismail (*)	-	-	48,050	0.02	0.02
3	Chow Sung Chek Simon	-	-	-	-	-
4	Chairil bin Mohd Tamil	-	-	-	-	-
5	Norhaizam Binti Mohammad	-	-	-	-	-
6	Shahruladeri bin Mohd Adnan	-	-	-	-	-
	Total	0	0.00	48,050	0.02	0.02

(*) Interest held through Shoraka Capgroup Sdn Bhd

Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Shoraka Capgroup Sdn Bhd - 96,100 shares

CDS Acc No. 098-001-070270970

INFORMATION ON SUBSTANTIAL SHAREHOLDERS AS AT 23 OCTOBER 2025

NO.	NAMES OF SUBSTANTIAL SHAREHOLDERS	NRIC/ REGISTRATION NO.	NO. OF HOLDINGS	%
1	Koperasi Permodalan Felda Malaysia 2 Berhad	W60683	62,875,400	27.60
2	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For Kenanga Investors Bhd	199301012273	55,929,700	24.55
3	Maybank Nominees (Tempatan) Sdn Bhd Exempt An For Kenanga Investors Bhd (Client's Account)	199301004202	48,878,100	21.46
	TOTAL		167,683,200	73.62

ANALYSIS OF SHAREHOLDINGS

PUBLIC SHAREHOLDINGS SPREAD AS AT 23 OCTOBER 2025

CATEGORY	SHAREHOLDERS	%	SHAREHOLDINGS	%
Directors	1	0.05	48,050	0.02
Substantial shareholders (5% Above)	3	0.15	167,683,200	73.62
Shareholders holding less than 100	76	3.79	1,570	0.00
Public shareholdings	1,925	96.01	60,050,930	26.36
TOTAL	2,005	100	227,783,750	100

LIST OF TOP 30 HOLDERS AS AT 23 OCTOBER 2025

NO.	NAME	HOLDINGS	%
1	KOPERASI PERMODALAN FELDA MALAYSIA 2 BERHAD	62,875,400	27.603
2	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD	55,929,700	24.554
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD (CLIENTS' ACCOUNT)	48,878,100	21.458
4	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KUAN TECK	4,991,800	2.191
5	DATO' CHANG LIK SEAN	4,020,000	1.765
6	SHORAKA GLOBAL RESOURCES SDN BHD	3,999,300	1.756
7	MV TECHNOLOGY SDN. BHD.	2,566,800	1.127
8	MAYBANK NOMINEES (ASING) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD (CLIENTS' ACCOUNT) (426791)	2,121,900	0.932
9	KWOK YOKE HOW	1,742,603	0.765
10	TEOH HOOI LEE	1,600,000	0.702
11	LAU WEI BOON	1,500,000	0.659
12	EDWARD TAN JUAN PENG	1,200,000	0.527
13	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO ' CHANG LIK SEAN	1,007,900	0.442
14	MUHAMMAD SYUKRI BIN SULAIMAN	880,000	0.386
15	QUAY CHEW JIN	850,000	0.373
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD JOHAR BIN AMAT	797,300	0.350

ANALYSIS OF SHAREHOLDINGS

LIST OF TOP 30 HOLDERS AS AT 23 OCTOBER 2025 (CONT'D)

NO.	NAME	HOLDINGS	%
17	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR NORFAZILAH BINTI DAHARI	792,300	0.348
18	OUI KEE SENG	785,500	0.345
19	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOR JOO GUAN	747,000	0.328
20	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AU FOOK TONG @ EDWARD AU (851082)	733,700	0.322
21	LOW LAY MOOI	650,700	0.286
22	AHMAD FADHLI BIN ABDUL MALEK	613,100	0.269
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOON MUI YEN @ SOON NYUK HEN (8037621)	607,500	0.267
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG WAI YUAN (8077425)	599,600	0.263
25	TAN HOP SEEN @ TANG HOP SEEN	517,000	0.227
26	ZAMRI BIN MOHAMAD	453,500	0.199
27	CHANG TZUN YIK	450,000	0.198
28	TEH SOON HUAT	450,000	0.198
29	SEOW GIM BENG	443,600	0.195
30	IFAST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR WEBULL SECURITIES SDN. BHD.	429,700	0.189
TOTAL		203,234,003	89.222

LIST OF MATERIAL PROPERTIES

As at 30 June 2025

No.	Location	Tenure	Approximate Land/Area Built-up Area (sq. ft.)	Description	Age (years)	Net Book Value (RM)	Year of Acquisition
1	Lot PT 4048, Lot PT 4050 to PT 4053 Bandar Nilai Utama Putra Nilai Daerah Seremban	Freehold	999,431	Residential land for development	N/A	39,226,621	2011
2	Lot PT 17741, Mukim Batu Kuala Lumpur, Sectors 3, 5-7, 11-12 i-ZEN@Kiara II Mont' Kiara Kuala Lumpur	Freehold	16,221	Office space for own/ external use	17	11,965,000	2007
3	Lot 8850, Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	220,790	Agricultural land for future development	N/A	17,639,640	2011
4	GRN 280415, Lot 3911 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	44,476	Homestead for investment	N/A	220,000	1995
5	GRN 280622, Lot 4019 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	46,368	Homestead for investment	N/A	230,000	2002
6	Lot PT 2396 Mukim Kuala Kalumpang Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	7,180	Bungalow lot for investment	N/A	93,000	2002

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 49th Annual General Meeting of Ireka Corporation Berhad (the “Company”) will be held on Thursday, 11 December 2025 at 10.00 a.m. at Corporate Meetings by Envivo, Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor for the following purposes:

AS ORDINARY BUSINESS

- 1 To receive the Audited Financial Statements of the Company and of the Group for the Financial Year Ended 30 June 2025 together with the reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*
 - 2 To approve the payment of Directors’ fees and benefits of RM288,000 for the period commencing 12 December 2025 until the conclusion of next Annual General Meeting. **Ordinary Resolution 1**
(Please refer to Explanatory Note 2)
 - 3 To re-elect Puan Norhaizam binti Mohammad, who was appointed to the Board on 3 January 2025 and in accordance with Clause 101 of the Company’s Constitution, retires at this Annual General Meeting and, being eligible, offers herself for re-election. **Ordinary Resolution 2**
(Please refer to Explanatory Note 3)
- To re-elect Datuk Mohd Hasnul Ismar bin Mohd Ismail, who retires in accordance with Clause 102 of the Company’s Constitution, as Director and, being eligible, offers himself for re-election.
- Chow Sung Chek Simon, who also retires in accordance with Clause 102 of the Company’s Constitution, he has opted not to seek re-election.
- 4 To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors. **Ordinary Resolution 3**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions:

- 5 **Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”) and Waiver of Pre-emptive Rights pursuant to Section 85 of the Act** **Ordinary Resolution 4**
(Please refer to Explanatory Note 4)
- THAT** subject to Sections 75 and 76 of the Act and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at any point in time.
- THAT** approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be first offered new ICB Shares ranking equally to the existing issued ICB Shares pursuant to Section 85 of the Act read together with Clause 10 of the Constitution of the Company (“Waiver of Pre-emptive Rights”).
- THAT** the Company is exempted from the obligation to offer new ICB Shares first to the existing shareholders of the Company in respect of the issuance and allotment of ICB Shares.
- THAT** the Directors and/or the Company Secretary be hereby authorized to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the Waiver of Pre-emptive Rights for and on behalf of the Company.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS (CONT'D)

To consider and, if thought fit, to pass the following Resolutions: (Cont'd)

6 Proposed Renewal of General Mandate for Recurrent Related Party Transactions

Ordinary Resolution 5

(Please refer to Explanatory Note 5)

'**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/ or its subsidiaries ("the Group") to enter into and give effect to the recurrent transactions of a revenue or trading nature with the Related Parties (as set out in Section 3.1 of the Circular to Shareholders dated 31 October 2025) which are necessary for the Group's day-to-day operations in the ordinary course of business and are carried out on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to minority shareholders of the Company ("Proposed General Mandate") and such approval shall continue to be in force until:

- a) The conclusion of the next Annual General Meeting of the Company, at which time it will lapse unless the authority is renewed by a resolution passed at the next Annual General Meeting of the Company;
- b) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier, and that for the avoidance of doubt, all such transactions entered into by the Group prior to the date of this resolution be and are hereby approved and ratified.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed General Mandate.'

- 7 To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By order of the Board

DAUD BIN A MAJEED

(SSM PC No.:201908000282)

(LS 0006578)

MUHAMMAD HAZWAN BIN MD AZMEE @ AZMI

(SSM PC No.: 201908000869)

(MIA 43997)

Kuala Lumpur
31 October 2025

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

1 Item 1 of the Agenda - Audited Financial Statements for the Financial Year Ended 30 June 2025

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require an approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2 Ordinary Resolution 1 - Payment of Directors' Fees and Benefits

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting.

The Board agrees that the fees recommended by the Remuneration Committee are just and equitable whilst the Directors' benefits comprise of meeting allowance of RM500 per meeting for each of the Board Members is reasonable after considering the amount of time spent including the number of meetings held.

Particulars	From 12 December 2025 until the conclusion of the next Annual General Meeting ("AGM")
Fees	RM233,000
Benefits: Board/Board Committee	RM55,000

Payment of the fees and benefits of the Directors, if passed, will be made by the Company as and when incurred particularly after the Directors have discharged their responsibilities and rendered their services to the Company throughout the Relevant Period.

3 Ordinary Resolution 2 - Re-election of Directors

Clause 101 of the Company's Constitution provides that any Director appointed by the Board during the year shall hold office only until the next Annual General Meeting ("AGM") and shall be eligible for re-election. Clause 102 of the Company's Constitution further provides that one-third (1/3) of the Directors shall retire from office at each AGM and shall be eligible for re-election.

In accordance with Clause 101, Puan Norhaizam binti Mohammad, who was appointed to the Board on 3 January 2025, retires at this AGM and, being eligible, offers herself for re-election.

In accordance with Clause 102, Datuk Mohd Hasnul Ismar bin Mohd Ismail is retiring by rotation and, being eligible, offers himself for re-election. Chow Sung Chek Simon is also retiring pursuant to Clause 102 but has notified the Company that he will not be seeking re-election and will accordingly retire at the conclusion of this AGM.

The Board, upon the recommendation of the Nomination and Remuneration Committee, has assessed the performance and contribution of both Puan Norhaizam binti Mohammad and Datuk Mohd Hasnul Ismar bin Mohd Ismail and is satisfied that they have demonstrated the requisite commitment, integrity, and competence to discharge their responsibilities effectively.

The Board (save for the interested Directors) recommends that shareholders vote in favour of the resolutions for the re-election of Puan Norhaizam binti Mohammad and Datuk Mohd Hasnul Ismar bin Mohd Ismail. Further details of the Directors' profiles are set out on pages 12 and 15 of the Annual Report.

4 Ordinary Resolution 4 - Proposed Renewal of Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016 and Waiver of Pre-Emptive Rights

With effect from 1 January 2023, the 20% General Mandate will be reinstated to a 10% limit ("10% General Mandate") pursuant to Paragraph 6.03 of the Main Market Listing Requirements of Bursa Securities. The authority for the 10% General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

At last year's AGM, a mandate was given to Directors to issue and allot new shares not exceeding 20% of the total number of issued shares up to 31 December 2022 and thereafter, not exceeding 10% of the total number of issued shares pursuant to the General Mandate which will continue to be in force until the conclusion of the forthcoming 49th AGM.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES (CONT'D)

4 Ordinary Resolution 4 - Proposed Renewal of Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016 and Waiver of Pre-Emptive Rights (Cont'd)

At the same 48th AGM, shareholders also renewed their approval to waive their pre-emptive rights to be offered any new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to the General Mandate under Section 85 of the Companies Act 2016 ("the Act") and Clause 10 of the Company's Constitution. The said authority will likewise expire at the conclusion of the forthcoming 49th AGM.

If passed, this Ordinary Resolution 5, made pursuant to Sections 75 and 76 of the Act, will empower the Directors of the Company to issue and allot new shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company.

The new shares may be issued for purposes including, but not limited to, funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions, and/or for issuance of shares as settlement of purchase consideration, or for such other purposes as the Directors may consider to be in the best interest of the Company.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

By voting in favour of this proposed Ordinary Resolution 5, shareholders of the Company will be waiving their statutory pre-emptive rights under Section 85 of the Act and Clause 10 of the Company's Constitution, thereby allowing the Directors to issue and allot new shares to any person without first offering such shares to all existing shareholders of the Company prior to the issuance of the new shares.

5 Ordinary Resolution 5 - Proposed Renewal of General Mandate for Recurrent Related Party Transactions

The Ordinary Resolution 6, if passed, will enable the Group to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. Further information on this resolution is set out in Part A of the Circular to Shareholders dated 30 October 2025.

NOTES ON PROXY

- 1 A member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. When a member appoints two (2) proxies to attend the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
- 2 Where a member is an exempt authorised nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
- 3 Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- 4 The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. To be valid, the instrument appointing proxy(ies) and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.

NOTICE OF ANNUAL GENERAL MEETING

NOTES ON PROXY (CONT'D)

- 5 The instrument appointing proxy(ies), may be made in a hard copy form or by electronic means in the following manner and must be deposited at the Tricor Investor & Issuing House Services Sdn Bhd not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:
- i) In Hard Copy Form
In the case of an appointment made in hard copy form, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - ii) By Vistra Share Registry and IPO (MY) Portal ("The Portal")
In the case of an appointment made via email mean, the proxy form can be electronically submitted to Tricor Investor & Issuing House Services Sdn Bhd via The Portal at <https://srmy.vistra.com>. Please follow the procedures set out in the Administrative Guide..
- 6 The instrument appointing proxy(ies), may be made in a hard copy form or by electronic means in the following manner and must be deposited Only members whose names appear in the Record of Depositors on 4 December 2025 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
- 7 Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of Annual General Meeting will be put to vote by way of poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the 'Purposes'); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Directors who are standing for re-election at the 49th Annual General Meeting

Puan Norhaizam binti Mohammad, who was appointed to the Board on 3 January 2025, retires in accordance with Clause 101 of the Company's Constitution and, being eligible, offers herself for re-election at the 49th Annual General Meeting of the Company.

Datuk Mohd Hasnul Ismar bin Mohd Ismail, who is retiring by rotation in accordance with Clause 102 of the Company's Constitution, being eligible, offers himself for re-election at the 49th Annual General Meeting of the Company.

Chow Sung Chek Simon, who is also retiring by rotation in accordance with Clause 102 of the Company's Constitution, has decided not to seek re-election at the forthcoming Annual General Meeting.

The personal profile of Puan Norhaizam binti Mohammad and Datuk Mohd Hasnul Ismar bin Mohd Ismail are disclosed under the Directors' Profile section on pages 12 and 15 of this Annual Report, and Datuk Mohd Hasnul Ismar bin Mohd Ismail's shareholdings in the Company and its subsidiaries are set out in the Analysis of Shareholdings section of this Annual Report.

The Board of Directors has reviewed the eligibility and performance of the retiring Directors and supports and recommends the re-election of Puan Norhaizam binti Mohammad and Datuk Mohd Hasnul Ismar bin Mohd Ismail as Directors of the Company for shareholders' approval.

2. Statement relating to general mandate for the issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

etails of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Note 4 of the Notice of 49th Annual General Meeting.

PROXY FORM



IREKA CORPORATION BERHAD
Registration No. 197501004146 (25882-A)
(Incorporated in Malaysia)

No. of Shares Held	CDS Account No.

I/We, _____ NRIC/Passport/Company No. _____
of _____

being a member of Ireka Corporation Berhad, hereby appoint the following person(s) as my/our proxy:

Proxy 1	Full name		NRIC/Passport No.		No. of shares to be represented	Percentage
	Address					%
	Email address		Contact No.			
Proxy 2	Full name		NRIC/Passport No.		No. of shares to be represented	Percentage
	Address					%
	Email address		Contact No.			

or failing him/her, the Chairman of the Meeting, as my/our proxy, to attend and vote for me/us and on my/our behalf at the 49th Annual General Meeting ("AGM") of the Company to be held on Thursday, 11 December 2025 at 10.00 a.m. at Corporate Meetings by Envivo, Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor and at any adjournment thereof, on the following resolutions as set out in the Notice of the 49th AGM:

Resolutions		For	Against
Ordinary Resolution 1	To approve the payment of Directors' fees and benefits of RM288,000 for the period commencing 12 December 2025 until the conclusion of next Annual General Meeting.		
Ordinary Resolution 2	To re-elect Puan Norhaizam binti Mohammad, who was appointed to the Board on 3 January 2025 and in accordance with Clause 101 of the Company's Constitution, retires at this Annual General Meeting and, being eligible, offers herself for re-election. To re-elect Datuk Mohd Hasnul Ismar bin Mohd Ismail, who retires in accordance with Clause 102 of the Company's Constitution, as Director and, being eligible, offers himself for re-election. Following the retirement of Chow Sung Chek Simon, who also retires in accordance with Clause 102 of the Company's Constitution, he has opted not to seek re-election.		
Ordinary Resolution 3	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors.		
Ordinary Resolution 4	To approve the proposed renewal of authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016 and Waiver of Pre-emptive Rights pursuant to Section 85 of the Companies Act 2016.		
Ordinary Resolution 5	To approve the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.		

Please indicate with an 'X' in the appropriate spaces how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any resolutions, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

Signature/Common Seal of Member _____

Dated this _____ day of _____ 2025

Notes:

- 1 A member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. When a member appoints two (2) proxies to attend the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
- 2 Where a member is an exempt authorised nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.

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Notes: (Cont'd)

- 3 Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- 4 The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. To be valid, the instrument appointing proxy(ies) and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.
- 5 The instrument appointing proxy(ies), may be made in a hard copy form or by electronic means in the following manner and must be deposited at the Tricor Investor & Issuing House Services Sdn Bhd not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:
 - i. In Hard Copy Form
In the case of an appointment made in hard copy form, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia
 - ii. By Vistra Share Registry and IPO (MY) Portal ("The Portal")
In the case of an appointment made via email mean, the proxy form can be electronically submitted to Tricor Investor & Issuing House Services Sdn Bhd via The Portal at <https://srmy.vistra.com>. Please follow the procedures set out in the Administrative Guide.
- 6 Only members whose names appear in the Record of Depositors on 4 December 2025 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 31 October 2025.

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STAMP

IREKA CORPORATION BERHAD

Registration No. 197501004146 (25882-A)

c/o **Tricor Investor & Issuing House Services Sdn Bhd**

Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

ATTN: ENCIK MOHAMAD KHAIRUDIN BIN TAJUDIN

Please fold here to seal



IREKA

IREKA CORPORATION BERHAD

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