KOBAY TECHNOLOGY BHD.

Registration No.: 199401022600 (308279-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2026
(In Ringgit Malaysia)

KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

Principal activities

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are as disclosed in Note 14 to the financial statements.

Results

	Group RM	Company RM
Profit/(Loss) for the financial year attributable to:		
Owners of the parent	47,278,971	(940,162)
Non-controlling interests	1,907,551	-
	49,186,522	(940,162)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year except as disclosed in the financial statements.

Dividends

On 26 August 2026, the Directors proposed a first and final single-tier dividend of 3.0 sen per ordinary share in respect of the financial year ended 30 June 2026, subject to shareholders' approval at the forthcoming Annual General Meeting.

Directors

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

Dato' Seri Koay Hean Eng
Koay Cheng Lye
Koay Wooi Seong
Koay Pei Feng
Koay Zee Ee
Lim Siew Wee
Sharifah Faridah Binti Dato' Syed Mahadzar Jamalullil

Directors (continued)

The Directors of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who are already listed above are:

Chan Bee Luang
Chan Mun Shee
Chin Wai Foong
Chong Huei Shin
Dennycia Koay Zee Wei
Ho Pei Si
Koay Wei Keong
Koay Wooi Tatt
Lee Eng Lam - Appointed on 23 October 2026
Lim Beng Cheong
Lim Lai Choo (alternate to Ho Pei Si)
Tan Kim Fah
Tee Yee May
Yee San Khien

Directors' interest in shares

The shareholdings in the Ordinary Shares of the Company and of its related corporations (other than wholly owned subsidiaries) of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company and the related corporation respectively under Section 59 of the Companies Act, 2016 in Malaysia were as follows:

	Number of Ordinary Shares			
In the Company	**Balance as at 01.07.2025**	**Bought**	**Sold**	**Balance as at 30.06.2026**
Direct interest:				
Koay Pei Feng	240,650	-	(100,000)	140,650
Koay Zee Ee	-	65,000	-	65,000
Deemed interest:				
Dato' Seri Koay Hean Eng	119,320,084[(a)]	476,400	-	119,796,484
Koay Cheng Lye	14,783,507[(a)]	-	-	14,783,507
Koay Wooi Seong	12,698,894[(a)]	-	-	12,698,894
Koay Zee Ee	119,320,084[(a)]	411,400	-	119,731,484

[(a)] Deemed interest by virtue of shares held by companies in which the Directors have interests

By virtue of their interests in shares in the Company, Dato' Seri Koay Hean Eng and Koay Zee Ee are also deemed to have interest in shares in the subsidiaries to the extent of the Company's interest, pursuant to Section 8 of the Companies Act, 2016.

Directors' interest in shares (continued)

None of the other Directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Directors or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 32 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Directors' remuneration and fee

The remuneration paid to or receivable by the Directors or past Directors of the Company and the estimated money value of other benefits received or receivable by them otherwise than in cash from the Company or its subsidiaries are as follows:

	Group	**Company**
	RM	**RM**
Fees	70,000	70,000
Salaries, bonus and other emoluments	1,312,477	556,140
Contributions to defined contribution plan	112,074	21,306
	1,494,551	647,446

Indemnity and insurance for Directors, officers and auditor

There was no indemnity given to or insurance effected for any Directors, officers or auditor of the Group and of the Company.

Issue of shares and debentures

There were no changes in the share capital of the Company during the financial year.

There were no debentures issued during the financial year.

Treasury shares

As of 30 June 2026, the Company held 6,000,000 treasury shares out of the total 326,180,803 issued ordinary shares. Further relevant details are disclosed in Note 22 to the financial statements.

Options granted over unissued shares

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

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to be realised.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year to secure the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year, except as disclosed in the financial year statements.

Other statutory information (continued)

No contingent liability or other liability of the Group and 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, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 June 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

Events after the reporting period

The events after the reporting period are disclosed in Note 39 to the financial statements.

Auditors

The auditors, Messrs PKF PLT, have indicated their willingness to continue in the office.

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 amounted to RM440,000 and RM60,000 respectively.

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

DATO' SERI KOAY HEAN ENG

KOAY WOOI SEONG

Penang

27 October 2026

KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
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STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 15 to 128 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 2026 and of their financial performance and their cash flows for the financial year then ended.

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

DATO' SERI KOAY HEAN ENG

KOAY WOOI SEONG

Penang

27 October 2026

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT, 2016 IN MALAYSIA

I, DATO' SERI KOAY HEAN ENG, being the Director primarily responsible for the financial management of KOBAY TECHNOLOGY BHD., do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements as set out on pages 15 to 128 are in my opinion 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 in Malaysia.

Subscribed and solemnly declared by the)
above-named at GEORGE TOWN in the)
State of PENANG on 27 October 2026.)

DATO' SERI KOAY HEAN ENG

Before me,

PESURUHJAYA SUMPAH
P 202
KHAIRUDDIN BIN
AHMAD TAJUDDIN
01.01.2026 - 31.12.2028
MALAYSIA
GERAI TINGKAT 1,
EXCHANGE BUS KOMTAR,
10000, GEORGE TOWN
PULAU PINANG

COMMISSIONER FOR OATHS

PKF PLT
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
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AND ITS SUBSIDIARIES

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of KOBAY TECHNOLOGY BHD., which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 15 to 128.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

PKF PLT is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

PENANG: 67, Jalan Seang Tek, George Town, 10450 George Town, Pulau Pinang I **PERAK**: No. 62, 62A, 62B and 62C, Persiaran Greentown 1, Pusat Perdagangan Greentown, 30350 Ipoh, Perak I **PERAK**: No. 34,36 &38, 2nd floor, Jalan Raja Permaisuri Bainun, 30250 Ipoh, Perak I **JOHOR**: No.49, Jalan Harimau Tarum, Taman Century, 80250 Johor Bahru, Johor I **SABAH**: Lot 23-1, 1st Floor, Lintas Plaza, Lorong Lintas Plaza, 88300 Kota Kinabalu, Sabah I **SABAH** (corner), Bandar Nasalim, Mile 5, Jalan Lintas Utara, 90000 Sandakan, Sabah I **LABUAN**: Level 1, Lot 8, Block F, Saguking Commercial Building, Jalan Patau-Patau, 87000 Labuan, F.T

(continued)

Key Audit Matters (continued)

(i) Expected credit loss of trade receivables
(Refer to Note 1(d)(v), Note 2(d)(i) and Note 17 to the financial statements)

As at 30 June 2026, the Group's trade receivables amounted to approximately RM97.45 million (2025: RM71.56 million), representing an increase of approximately 36.18% compared to previous financial year, mainly attributable to the expansion of the Group's business activities.

The determination of expected credit losses requires management to exercise judgement in assessing historical loss experience, customer-specific risk characteristics, creditworthiness, ageing profiles and forward-looking economic information.

Given the significant increase in trade receivables balance arising from the expansion of business activities during the year and the judgement involved in determining expected credit losses under MFRS 9, *Financial Instruments*, this area required significant audit attention.

Accordingly, we considered the assessment of expected credit losses on trade receivables to be a key audit matter.

Our audit procedures performed include the following:

(a) Reviewed and tested the accuracy of ageing reports used in the expected credit loss assessment;
(b) Reviewed the recoverability of receivables which have been long outstanding including but not limited to, collections after the end of reporting period;
(c) Assessed the methodology applied by management in estimating expected credit losses;
(d) Evaluated key assumptions and inputs used in the impairment assessment; and
(e) Evaluated the customer-specific circumstances and historical default patterns.

(continued)

Key Audit Matters (continued)

(ii) Impairment of intangible assets
(Refer to Note 1(d)(viii), Note 2(f) and Note 13 to the financial statements)

As at 30 June 2026, the Group recognised intangible assets amounting to approximately RM23.57 million comprising goodwill, trademarks and customer relationships. The assessment of recoverable amounts involves significant judgement and estimation in determining future cash flows and key assumptions, including profitability and discount rates. Changes in these assumptions could have a significant impact on the recoverable amounts of the related cash-generating units and any resulting impairment loss.

Accordingly, we considered the assessment of impairment of intangible assets to be a key audit matter.

Our audit procedures performed include the following:

(a) Assessed the appropriateness of management's impairment assessment methodology;
(b) Compared forecast assumptions with historical performance and approved budgets;
(c) Assessed the reasonableness of key assumptions used in the cash flow projections, including forecast revenue growth rates, gross profit margins and discounted rates;
(d) Performed sensitivity analyses on key assumptions to evaluate the impact of reasonably possible changes on the recoverable amounts; and
(e) Evaluated the adequacy of disclosures in the financial statements.

(iii) Revenue recognition from manufacturing arrangements
(Refer to Note 1(d)(xi), Note 2(b) and Note 3 to the financial statements)

The Group recorded revenue of RM532.67 million for the financial year ended 30 June 2026. Revenue generated from certain manufacturing arrangements amounted to approximately RM128.91 million, representing a significant portion of the Group's total revenue. The assessment of whether revenue arising from these arrangements should be recognised on a gross basis as principal or on a net basis as agent under MFRS 15, *Revenue from Contracts with Customers*, requires significant judgement, particularly in evaluating responsibility for fulfilling customer orders, control over the manufacturing process and exposure to production and quality risks.

Given the significance of these revenue streams and the judgement involved in determining the appropriate basis of revenue recognition, this matter required significant auditor attention and was therefore considered to be a key audit matter.

(continued)

Key Audit Matters (continued)

(iii) Revenue recognition from manufacturing arrangements
(Refer to Note 1(d)(xi), Note 2(b) and Note 3 to the financial statements)

Our audit procedures performed include the following:

(a) Reviewed the contractual arrangements;
(b) Obtained an understanding of the manufacturing and operational processes;
(c) Evaluated management's assessment of whether the entities act as principals or agents under MFRS 15;
(d) Performed substantive testing over significant revenue transactions;
(e) Performed cut-off testing on revenue transactions recorded before and after year end; and
(f) Reviewed post year-end credit notes and sales returns.

(iv) Property development activities
(Refer to Note 1(d)(xii), Note 2(b), Note 3, Note 16 and Note 19 to the financial statements)

The Group recognised revenue of approximately RM44.86 million (2025: RM19.04 million) from property development activities during the financial year. Revenue is recognised over time based on the progress towards completion of the development projects. The determination of the stage of completion and estimated development costs involves significant management judgement and estimation. Changes in these estimates may have a material impact on the amount of revenue recognised.

Accordingly, property development activities were considered a key audit matter due to the significance of the judgement involved.

Our audit procedures performed include the following:
(a) Assessed the appropriateness of the basis used by management to determine the stage of completion;
(b) Evaluated the reasonableness of estimated development costs and costs to complete;
(c) Verified the cost capitalised under property development costs to the supporting documents such as invoices, architects' certificates and other supporting documentation; and
(d) Assessed the adequacy of the related disclosures in the financial statements.

(continued)

Key Audit Matters (continued)

(v) Impairment of investments in subsidiaries
(Refer to Note 1(d)(ix) and Note 14 to the financial statements)

As at 30 June 2026, the Company's investments in subsidiaries had a carrying amount of approximately RM226.63 million. During the financial year, an impairment loss of RM26.19 million was recognised. Management assessed the investments for impairment and determined the recoverable amounts based on fair value less costs to sell of the underlying subsidiaries. In the absence of observable market prices, the determination of recoverable amounts involved significant judgement and estimation in assessing the net asset positions and financial performance of the respective subsidiaries.

Accordingly, we considered this to be a key audit matter.

Our audit procedures performed include the following:

(a) Evaluated the impairment indicators and assessed the appropriateness of the methodology used in determining the recoverable amounts of the investments;
(b) Reviewed the financial performance, net asset values and supporting information of the respective subsidiaries used in the impairment assessment;
(c) Evaluated the reasonableness of key assumptions and estimates applied by management; and
(d) Reviewed the appropriateness of the disclosures in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors are responsible for the other information. The other information comprises the Management Discussion and Analysis, Sustainability Report, Audit and Risk Management Committee Report, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control and Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

(continued)

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 Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine are necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

(continued)

Other Matters

(i) 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.

(ii) The comparative figures were audited by another firm of auditors who expressed an unmodified opinion on the financial statements of the Group and of the Company for the financial year ended 30 June 2025 on 27 October 2025.

PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
CHARTERED ACCOUNTANTS

NG CHEW PEI
03373/06/2028 J
CHARTERED ACCOUNTANT

Kuala Lumpur

27 October 2026

KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
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STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		Group		Company	
			Restated		
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Revenue	3	532,670,441	341,214,727	26,329,300	18,927,450
Cost of sales		(392,306,294)	(259,797,096)	-	-
Gross profit		140,364,147	81,417,631	26,329,300	18,927,450
Other income	4	22,515,583	12,610,935	3,395,984	1,957,598
Administrative and general expenses		(82,659,109)	(88,601,370)	(1,485,436)	(2,956,159)
Selling and distribution expenses		(10,594,284)	(9,454,675)	-	-
Finance costs	5	(6,801,789)	(7,007,070)	(1,870,572)	(1,492,380)
Impairment loss on investments in subsidiaries		-	-	(26,186,259)	(8,997,935)
Impairment loss on financial assets		(1,592,253)	(448,088)	(1,107,435)	-
Loss on derecognition of financial assets measured at amortised cost		-	(92,692)	-	-
Profit/(Loss) before tax	7	61,232,295	(11,575,329)	(924,418)	7,438,574
Tax expense	8	(12,045,773)	(9,263,463)	(15,744)	(312,782)
Profit/(Loss) representing total comprehensive income/(loss) for the financial year		49,186,522	(20,838,792)	(940,162)	7,125,792

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

		Group		Company	
	Note	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Total comprehensive income/(loss) attributable to:					
Owners of the parent		47,278,971	(16,007,496)	(940,162)	7,125,792
Non-controlling interests		1,907,551	(4,831,296)	-	-
		49,186,522	(20,838,792)	(940,162)	7,125,792
Earnings/(Loss) per share:					
Basic (sen per share)	9	14.77	(5.00)		
Diluted (sen per share)	9	14.77	(5.00)		

KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
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STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

		Group			Company	
			Restated	Restated		
	Note	30.6.2026 RM	30.6.2025 RM	1.7.2024 RM	30.6.2026 RM	30.6.2025 RM
ASSETS						
Non-current assets						
Property, plant and equipment	10	177,405,019	155,325,872	138,670,923	71,730	131,588
Investment properties	11	7,950,035	10,868,088	11,178,227	-	-
Right-of-use assets	12	40,265,158	45,296,368	41,044,021	-	127,482
Intangible assets	13	23,565,172	24,362,100	53,099,554	-	-
Investments in subsidiaries	14	-	-	-	226,626,697	253,812,956
Other investments	15	12,782,525	2,829,831	1,248,048	9,962,194	1,500
Inventories	16	71,309,547	70,450,284	64,656,098	-	-
Receivables	17	6,276,265	6,665,674	7,033,935	-	-
		339,553,721	315,798,217	316,930,806	236,660,621	254,073,526
Current assets						
Inventories	16	172,715,948	157,994,428	154,090,404	-	-
Receivables	17	101,994,091	75,409,574	71,787,551	78,087,584	64,228,274
Contract costs	18	2,354,245	222,099	10,186	-	-
Contract assets	19	7,945,576	10,157,767	-	-	-
Derivatives	20	79,020	32,231	28,490	-	-
Prepayments		6,304,893	7,028,448	10,032,013	7,867	4,175
Current tax assets		4,837,986	9,369,584	7,977,130	890,661	384,960
Cash and cash equivalents	21	56,342,564	53,488,288	57,942,781	990,635	1,729,720
		352,574,323	313,702,419	301,868,555	79,976,747	66,347,129
TOTAL ASSETS		692,128,044	629,500,636	618,799,361	316,637,368	320,420,655

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONTINUED)

		Group			Company	
	Note	30.6.2026 RM	Restated 30.6.2025 RM	Restated 1.7.2024 RM	30.6.2026 RM	30.6.2025 RM
EQUITY AND LIABILITIES						
Share capital	22	210,917,984	210,917,984	210,917,984	210,917,984	210,917,984
Treasury shares	22	(9,522,642)	(9,522,642)	(9,522,642)	(9,522,642)	(9,522,642)
Capital reserve	23	1,550,000	1,550,000	1,550,000	-	-
Put option reserve	24	(8,757,033)	(7,264,037)	(6,818,985)	-	-
Retained earnings	25	212,683,633	165,404,662	181,412,158	79,143,483	80,083,645
Equity attributable to owners of the parent		406,871,942	361,085,967	377,538,515	280,538,825	281,478,987
Non-controlling interests		9,557,238	9,479,723	15,880,544	-	-
Total equity		416,429,180	370,565,690	393,419,059	280,538,825	281,478,987
Non-current liabilities						
Payables	26	16,969,500	16,969,500	16,969,500	-	-
Loans and borrowings	27	22,856,471	30,636,668	31,410,098	1,731,788	1,443,930
Hire purchase payables	28	18,176	87,927	102,030	-	-
Lease liabilities	29	7,506,524	10,312,079	4,029,971	-	-
Government grants	30	76,627	108,333	140,042	-	-
Deferred tax liabilities	31	11,759,289	11,812,310	12,371,237	-	-
		59,186,587	69,926,817	65,022,878	1,731,788	1,443,930
Current liabilities						
Contract liabilities	19	353,605	384,230	2,167,848	-	-
Derivatives	20	260,175	56,200	4,200	-	-
Payables	26	96,329,137	64,666,993	58,924,304	5,474,298	9,451,430
Put option liability	24	8,757,033	7,264,037	6,818,985	-	-
Loans and borrowings	27	104,468,377	110,572,712	84,528,986	28,892,457	27,912,475
Hire purchase payables	28	69,635	66,178	45,759	-	-
Lease liabilities	29	3,154,311	3,971,177	5,135,655	-	133,833
Government grants	30	31,708	31,708	31,708	-	-
Tax payables		3,088,296	1,994,894	2,699,979	-	-
		216,512,277	189,008,129	160,357,424	34,366,755	37,497,738
Total liabilities		275,698,864	258,934,946	225,380,302	36,098,543	38,941,668
TOTAL EQUITY AND LIABILITIES		692,128,044	629,500,636	618,799,361	316,637,368	320,420,655

KOBAY TECHNOLOGY BHD.
Registration No.: 199401022600 (308279-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

			Non-distributable		Distributable			
Group	**Share capital RM**	**Treasury shares RM**	**Capital reserve RM**	**Put option reserve RM**	**Retained profits RM**	**Equity attributable to owners of the parent RM**	**Non-controlling interests RM**	**Total equity RM**
At 1 July 2025 (Restated)	210,917,984	(9,522,642)	1,550,000	(7,264,037)	165,404,662	361,085,967	9,479,723	370,565,690
Total comprehensive income for the financial year	-	-	-	-	47,278,971	47,278,971	1,907,551	49,186,522
Total transactions with owners								
Put option over non-controlling interest	-	-	-	(1,492,996)	-	(1,492,996)	-	(1,492,996)
Dividends to non-controlling interests (representing total transactions with owners)	-	-	-	-	-	-	(1,830,036)	(1,830,036)
	-	-	-	(1,492,996)	-	(1,492,996)	(1,830,036)	(3,323,032)
At 30 June 2026	210,917,984	(9,522,642)	1,550,000	(8,757,033)	212,683,633	406,871,942	9,557,238	416,429,180

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

	Non-distributable				Distributable			
Group	**Share capital RM**	**Treasury shares RM**	**Capital reserve RM**	**Put option reserve RM**	**Retained profits RM**	**Equity attributable to owners of the parent RM**	**Non-controlling interests RM**	**Total equity RM**
At 1 July 2024								
As previously reported	210,917,984	(9,522,642)	1,550,000	(4,833,628)	176,418,526	374,530,240	15,880,544	390,410,784
Prior year adjustments (Note 38)	-	-	-	(1,985,357)	4,993,632	3,008,275	-	3,008,275
As restated	210,917,984	(9,522,642)	1,550,000	(6,818,985)	181,412,158	377,538,515	15,880,544	393,419,059
Total comprehensive loss for the financial year	-	-	-	-	(16,007,496)	(16,007,496)	(4,831,296)	(20,838,792)
Put option over non-controlling interest	-	-	-	(445,052)	-	(445,052)	-	(445,052)
Dividends to non-controlling interests (representing total transactions with owners)	-	-	-	-	-	-	(1,569,525)	(1,569,525)
	-	-	-	(445,052)	-	(445,052)	(1,569,525)	(2,014,577)
At 30 June 2025 (Restated)	210,917,984	(9,522,642)	1,550,000	(7,264,037)	165,404,662	361,085,967	9,479,723	370,565,690

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

Company	Share capital RM	Treasury shares RM	Distributable Retained profits RM	Total equity RM
At 1 July 2024	210,917,984	(9,522,642)	72,957,853	274,353,195
Total comprehensive income for the financial year	-	-	7,125,792	7,125,792
At 30 June 2025	210,917,984	(9,522,642)	80,083,645	281,478,987
Total comprehensive loss for the financial year	-	-	(940,162)	(940,162)
At 30 June 2026	210,917,984	(9,522,642)	79,143,483	280,538,825

KOBAY TECHNOLOGY BHD.
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AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		Group		Company	
			Restated		
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Cash flows from operating activities					
Profit/(Loss) before tax		61,232,295	(11,575,329)	(924,418)	7,438,574
Adjustments for:					
Amortisation of:					
- intangible assets		603,862	603,862	-	-
- government grants		(31,706)	(31,709)	-	-
- contract costs		203,026	94,267	-	-
Bad debt written off		990	-	-	-
Depreciation of:					
- property, plant and equipment		21,303,744	15,966,735	59,858	78,290
- right-of-use assets		5,475,520	5,215,646	127,482	139,071
- investment properties		264,775	310,139	-	-
Dividend income		-	-	(26,329,300)	(18,927,450)
Fair value loss/(gain) on financial instruments		294,409	(1,324,050)	-	-
Gain on derecognition of right-of-use assets		(4,240)	(672,589)	-	-
Impairment loss on:					
- receivables		1,592,253	448,088	1,107,435	-
- intangible assets		193,066	30,333,592	-	-
- property, plant and equipment		-	55,411	-	-
- investments in subsidiaries		-	-	26,186,259	8,997,935
Interest expense		6,801,789	7,007,070	1,870,572	1,492,380
Interest income		(1,190,775)	(1,392,344)	(3,367,484)	(1,957,598)
Inventories written down		58,368	3,176,388	-	-
Reversal of inventories written down		(999,729)	(280,109)	-	-
Loss on derecognition of financial assets		-	92,692	-	-
(Gain)/Loss on disposal of:					
- property, plant and equipment		(143,738)	4,583	-	-
- investment properties		(846,722)	-	-	-
- other investment		(28,500)	-	(28,500)	-
Prepayments written off		-	740,000	-	-
Property, plant and equipment written off		32,114	629,321	-	1,625
Unrealised (gain)/loss on foreign exchange		(1,176,897)	97,553	-	-
Operating profit/(loss) before working capital changes		93,633,904	49,499,217	(1,298,096)	(2,737,173)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

	Note	Group 2026 RM	Group Restated 2025 RM	Company 2026 RM	Company 2025 RM
Operating profit/(loss) before working capital changes (continued)					
Inventories		(16,974,594)	(12,900,669)	-	-
Receivables		(25,798,808)	(5,685,694)	29,373	(2)
Contract liabilities		2,181,566	(11,941,385)	-	-
Prepayments		723,555	2,263,565	(3,692)	29,665
Payables		33,813,661	6,842,859	25,574	(82,118)
Housing Development Account		(2,128,872)	588,078	-	-
Cash generated from/(used in) operations		85,450,412	28,665,971	(1,246,841)	(2,789,628)
Interest and fund distribution received		1,190,775	1,392,344	3,367,484	1,957,598
Tax paid		(11,934,167)	(12,454,885)	(521,445)	(581,664)
Real property gains tax paid		(44,142)	-	-	-
Tax refunded		5,504,515	534,956	-	22,000
Net cash from/(used in) operating activities		80,167,393	18,138,386	1,599,198	(1,391,694)
Cash flows from investing activities					
Acquisition of:					
- intangible assets		-	(2,200,000)	-	-
- other investments		(9,962,194)	-	(9,962,194)	-
- property, plant and equipment	(i)	(43,517,369)	(33,910,860)	-	(23,438)
- right-of-use assets	(ii)	-	(11,320)	-	-
Change in term deposit with maturity period more than 3 months		-	307,795	-	-
Contingent consideration paid		(1,800,000)	(1,650,000)	-	-
Dividends received		-	-	26,329,300	18,927,450
Net advance to subsidiaries		-	-	(18,998,824)	(9,128,362)
Proceeds from disposal of:					
- property, plant and equipment		246,102	171,195	-	-
- investment properties		3,500,000	-	-	-
- other investments		30,000	-	30,000	-
Redemption of preference shares from subsidiaries		-	-	17,800,000	1,100,000
Subscription for shares in subsidiaries		-	-	(16,800,000)	(16,000,000)
Net cash used in investing activities		(51,503,461)	(37,293,190)	(1,601,718)	(5,124,350)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

	Note	Group 2026 RM	Group Restated 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from financing activities					
Changes in term deposits pledged to licensed banks		(517,813)	(71,392)	-	-
Dividends paid to non-controlling interests		(2,344,546)	(1,055,015)	-	-
Drawdown of term loans	(iii)	-	8,030,170	-	-
(Decrease)/Increase in short-term loans and borrowings (net)	(iv)	(7,986,117)	16,330,208	-	-
Interest paid		(6,801,789)	(7,007,070)	(1,870,572)	(1,492,380)
Payment of hire purchase payables	(v)	(66,294)	(51,684)	-	-
Payment of lease liabilities	(vi)	(4,062,491)	(3,179,788)	(133,833)	(139,517)
Repayment of term loans	(iii)	(8,479,930)	(7,268,329)	(440,498)	(1,038,811)
Net cash (used in)/from financing activities		(30,258,980)	5,727,100	(2,444,903)	(2,670,708)
Net decrease in cash and cash equivalents		(1,595,048)	(13,427,701)	(2,447,423)	(9,186,752)
Effect of exchange rate changes on cash and cash equivalents held		94,301	(167,636)	-	-
Cash and cash equivalents at 1 July 2025/2024		36,373,129	49,968,466	(11,270,859)	(2,084,107)
Cash and cash equivalents at 30 June	(vii)	34,872,382	36,373,129	(13,718,282)	(11,270,859)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

Notes:

(i) Acquisition of property, plant and equipment

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cost of property, plant and equipment acquired	43,517,369	33,968,860	-	23,438
Amount financed through hire purchase	-	(58,000)	-	-
Net cash disbursed	43,517,369	33,910,860	-	23,438

(ii) Acquisition of right-of-use assets

	Group	
	2026 RM	2025 RM
Cost of right-of-use assets acquired	576,814	9,878,312
Acquisition by means of leases	(576,814)	(9,866,992)
Net cash disbursed	-	11,320

(iii) Term loans

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At 1 July 2025/2024	38,534,764	38,060,553	2,526,576	3,565,387
Drawdowns	-	8,030,170	-	-
Repayments	(8,479,930)	(7,268,329)	(440,498)	(1,038,811)
Currency translation differences	(180,566)	(287,630)	-	-
At 30 June	29,874,268	38,534,764	2,086,078	2,526,576

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

Notes (continued):

(iv) Short-term loans and borrowings

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
At 1 July 2025/2024	89,674,037	74,843,277	13,000,000	13,000,000
Net cash flow changes	(7,986,117)	16,330,208	-	-
Currency translation differences	1,053,744	(1,499,448)	-	-
At 30 June	82,741,664	89,674,037	13,000,000	13,000,000
Represented by:				
- Bankers acceptance (Note 27)	13,998,514	12,925,882	-	-
- Revolving credits (Note 27)	68,743,150	76,748,155	13,000,000	13,000,000
	82,741,664	89,674,037	13,000,000	13,000,000

(v) Hire purchase payables

	Group	
	2026	**2025**
	RM	**RM**
At 1 July 2025/2024	154,105	147,789
Drawdowns	-	58,000
Repayments	(66,294)	(51,684)
At 30 June (Note 28)	87,811	154,105

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

Notes (continued):

(vi) Lease liabilities

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
At 1 July 2025/2024	14,283,256	9,165,626	133,833	273,350
Acquisition of right-of-use assets	576,814	9,866,992	-	-
Remeasurement from reassessment or lease modifications	-	791,473	-	-
Payments	(4,062,491)	(3,179,788)	(133,833)	(139,517)
Derecognition	(136,744)	(2,361,047)	-	-
At 30 June (Note 29)	10,660,835	14,283,256	-	133,833

The total cash outflow for leases are as follows:

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Operating activities				
Lease expense recognised in profit or loss (Note 7)	16,487,688	5,310,250	-	-
Investing activities				
Acquisition of right-of-use assets	-	11,320	-	-
Financing activities				
Interest portion of lease liabilities (Note 5)	443,436	650,522	3,199	9,973
Principal portion of lease liabilities	4,062,491	3,179,788	133,833	139,517
	20,993,615	9,151,880	137,032	149,490

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

Notes (continued):

(vii) Cash and cash equivalents

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash and cash equivalents	56,342,564	53,488,288	990,635	1,729,720
Term deposits pledged to licensed banks	(3,767,022)	(3,249,209)	-	-
Available cash	52,575,542	50,239,079	990,635	1,729,720
Bank overdrafts	(14,708,917)	(13,000,579)	(14,708,917)	(13,000,579)
Housing Development Account	(2,994,243)	(865,371)	-	-
	34,872,382	36,373,129	(13,718,282)	(11,270,859)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as a going concern which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

(a) Standards issued and effective

On 1 July 2025, the Group and the Company adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2025:

Description

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability

The Directors expect that the adoption of the new and amended MFRS above has no impact on the financial statements of the Group and of the Company.

(b) Standards issued but not yet effective

At the date of authorisation of these financial statements, the following pronouncements have been issued by the Malaysian Accounting Standards Board ("MASB"), will become effective in future financial periods and have not been adopted by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2026:

- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107: Annual Improvements to MFRS Accounting Standards - Volume 11
- Amendments to MFRS 9: Financial Instruments and MFRS 7: Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9: Financial Instruments and MFRS 7: Financial Instruments : Disclosures - Contracts Referencing Nature-dependent Electricity

Effective for financial periods beginning on or after 1 January 2027:

- MFRS 18: Presentation and Disclosure in Financial Statements
- MFRS 19: Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 121 – Translation to a Hyperinflationary Presentation Currency

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(b) Standards issued but not yet effective (continued)

Effective date yet to be determined:

- Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace *MFRS 101 'Presentation of Financial Statements'* upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The Group and the Company are currently assessing the impact of implementing this new standard.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise indicated in material accounting policies.

(d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(i) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(ii) Depreciation of Property, Plant and Equipment and Amortisation of Intangible Assets

The estimates for the residual values, useful life and related depreciation charges for the property, plant and equipment and amortisation of intangible assets are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimated value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) Write-down for Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(v) Provision for Expected Credit Losses ("ECLs") of Trade Receivables

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

(vi) Deferred Tax Assets and Liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(vii) Classification between Investment Properties and Owner-occupied Properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(viii) Impairment of Goodwill and Trademarks

Goodwill and trademarks are tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating units to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying amount of goodwill and trademarks.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(ix) Carrying Amount of Investments in Subsidiaries

Investments in subsidiaries are reviewed for impairment annually in accordance with their accounting policy as disclosed in Note 2(d)(ii) to the financial statements, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Significant judgement is required in assessing the recoverability of the investments in subsidiaries and determining their recoverable amounts. In the absence of observable market prices, management determined the recoverable amounts based on the fair value less costs of disposal of the underlying subsidiaries, taking into consideration their net asset positions, financial performance and other relevant factors.

Changes in the assumptions or assessments applied may materially affect the recoverable amounts of the subsidiaries and consequently the carrying amount of the Company's investments in subsidiaries

(x) Lease

(a) Lease Term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The extension options in leases for office buildings have been included in the lease liability in consideration of the costs and business disruption required to replace the leased assets.

(b) Incremental Borrowing Rate of Leases

In determining the incremental borrowing rate, the Group used borrowing rate ranging 3.67% to 6.00% (2025: 4.24% to 6.70%) as a starting point and make adjustments specific to the lease terms.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(xi) Principal Versus Agent Assessment

The Group exercises significant judgement in determining whether it acts as a principal or an agent in certain manufacturing and sales arrangements.

In making this assessment, management considers whether the Group controls the specified goods before they are transferred to the customer. Factors considered include whether the Group is primarily responsible for fulfilling the promise to provide the goods to customers, bears inventory and performance risks prior to transfer of the goods, and has discretion in establishing selling prices.

Based on an assessment of the contractual terms and the substance of the underlying arrangements, management concluded that the Group acts as a principal in these transactions as the Group controls the goods before they are transferred to customers and is primarily responsible for fulfilling its performance obligations to customers. Accordingly, revenue from these arrangements is recognised on a gross basis.

(xii) Property Development

The Group recognises property development revenue over time by measuring the progress towards complete satisfaction of the performance obligation. Property development costs and incremental costs of obtaining the contract are also recognised in profit or loss on a systematic basis that is consistent with the recognition of related revenue. These procedures involve judgements and estimation uncertainty in predicting the outcome of the performance obligation based on past experience, work of experts and continuous monitoring mechanism.

(xiii) Valuation of Put Option Liability

The put option liability is measured based on the present value of the estimated redemption amount payable upon exercise of the option. The measurement requires management to exercise judgement and make estimates regarding the expected settlement amount, timing of settlement and the discount rate applied.

Changes in these assumptions may have a material impact on the carrying amount of the put option liability.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured at fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate shares of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the other comprehensive income for the financial year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Losses and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(b) Revenue and other income

(i) Rendering of services

Revenue from rendering of services is recognised at the point in time when the performance obligation has been satisfied and the customer obtains control of the services. This is generally when the agreed services have been completed or delivered in accordance with the contractual terms and the Group has an enforceable right to payment.

A receivable is recognised when the services have been rendered as this is the point in time at which the consideration becomes unconditional other than for the passage of time.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(b) Revenue and other income (continued)

(i) Rendering of services (continued)

Principal versus agent considerations

In determining whether the Group acts as a principal or an agent in contracts with customers, the Group assesses whether it controls the specified goods or services before they are transferred to the customer.

Indicators considered include whether the Group:

- is primarily responsible for fulfilling the promise to provide the specified goods or services;
- bears inventory, performance or delivery risks before the goods or services are transferred to the customer; and
- has discretion in establishing the prices charged to customers.

Where the Group acts as a principal, revenue is recognised at the gross amount of consideration to which the Group expects to be entitled. Where the Group acts as an agent, revenue is recognised at the net amount retained, being the commission, fee or margin earned.

(ii) Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the goods has been transferred to the customer, which is generally upon delivery and acceptance of the goods by the customer.

Following delivery, the customer has full discretion over the manner of distribution and selling price of the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(b) Revenue and other income (continued)

(iii) Sales of development properties

Contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if 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.

This is generally established when:

1. The promised properties are specifically identified by their plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(b) Revenue and other income (continued)

(iii) Sales of development properties (continued)

This is generally established when (continued):

2. The Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

   If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

   The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

   The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the assets sold.

(iv) Interest income from money lending services

Interest income is recognised on a time proportion basis that takes into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

(v) Interest income earned

Interest income is recognised as it accrues using the effective interest method in profit or loss.

(vi) Dividend income

Dividend income is recognised when the right to receive payment is established.

(vii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(d) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost ("AC"), expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, whereas 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12-months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(d) Impairment (continued)

(i) Financial assets (continued)

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

(ii) Non-financial assets

The Group and the Company assess at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the Group and the Company shall estimate the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows cash-generating units ("CGUs").

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(d) Impairment (continued)

(ii) Non-financial assets (continued)

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

A previously recognised impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset shall be increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously.

A reversal of an impairment loss for an asset other than goodwill shall be recognised immediately in profit or loss, unless the asset is carried at revalued amount.

(e) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to the initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group and the Company recognise such parts as individual assets with specific useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

Capital work-in-progress represents property, plant and equipment under construction or development and is stated at cost less any accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition, construction or development of the asset and other costs incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(e) Property, plant and equipment (continued)

Capital work-in-progress is not depreciated as these assets are not yet available for use. Upon completion of construction or development, and when the asset is ready for its intended use, the cost of the asset is transferred to the appropriate category of property, plant and equipment and depreciation commences in accordance with the Group's depreciation policy.

Depreciation of the other property, plant and equipment is provided for on a straight-line basis over the estimated useful life of the assets, at the following annual rates:

Buildings	2% - 3%
Building improvement and renovation	2% - 33%
Factory machinery, moulds and equipment	10% - 20%
Furniture, fittings, office equipment and computer software	10% - 50%
Motor vehicles	10% - 20%

The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(f) Intangible assets

(i) Goodwill from business combination

Goodwill from business combination is included in intangible assets and is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but it is tested for impairment annually, and whenever there is an indication that it may be impaired.

(ii) Other intangible assets

Separately acquired intangible assets are recognised at historical cost. Other intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(f) Intangible assets (continued)

(ii) Other intangible assets

Customer relationships represent the relationships established with its customers through continuous contracts which give rise to contractual rights. Customer relationships are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Customer relationships are amortised on a straight-line basis over 10 to 12 years which economic benefits are expected to be received.

(g) Leases

(i) Initial recognition and measurement

(a) As a lessee

The Group and the Company recognises a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises as follows:

- the initial amount of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined the Group's and the Company's incremental borrowing rate.

Variable lease payments that do not depend on an index or a rate are excluded from lease liability and right-of-use asset and recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases for which the underlying asset is of low value. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(g) Leases (continued)

(i) Initial recognition and measurement (continued)

(b) As a lessor

Leases for which the Group or the Company is a lessor are classified as finance or operating leases.

Leases which transfer substantially all of the risks and rewards incidental to ownership of the underlying asset are finance leases; if not, then it is an operating leases.

The Group and the Company recognise assets held under a finance lease in their statement of financial position and present them as receivable at an amount equal to the net investment in the lease. Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the investment in the lease.

When the Group or the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(ii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group and the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Group and the Company will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses determined in accordance with Note 2(d)(ii) to the financial statements, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(g) Leases (continued)

(ii) Subsequent measurement (continued)

(a) As a lessee (continued)

The carrying amount of lease liability is subsequently increased by interest on the lease liability and reduced by lease payments made. It is remeasured when there is a change in lease term, assessment of an option to purchase the underlying asset, future lease payments arising from the change in an index or rate, the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee or in-substance fixed lease payments.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) As a lessor

Finance income from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease whereas lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

(h) Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Leasehold land is depreciated on a straight-line basis over the lease terms of 60 years. Buildings are depreciated on a straight-line basis over their estimated useful lives of 50 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

The estimated useful life, residual values and depreciation method of investment properties are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(i) Inventories

(i) Raw materials and finished goods

Inventories are valued at the lower of cost (determined principally on the first-in, first out basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs of necessary to make the sale.

(ii) Land held for property development

Land held for property development comprises land on which development activities have not commenced or where such activities are not expected to be completed within the normal operating cycle.

Land held for future property development is stated at cost less any accumulated impairment losses, if any. Cost comprises the purchase price of the land and expenditure directly attributable to the acquisition of the land.

Land held for property development is transferred to property development costs when development activities commence and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Land held for property development is classified as a non-current asset unless it is expected to be realised within the normal operating cycle of the Group's property development activities.

(iii) Inventory properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost of development properties comprises costs of land, and related development and construction expenditure.

Where development land is acquired under a joint development arrangement, the cost of development properties includes landowners' entitlements arising from the arrangement. Landowners' entitlements are measured based on the consideration payable to the landowner under the contractual terms of the joint development agreement and are recognised when the Group obtains the rights to undertake the development and the obligation to provide consideration to the landowner arises.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

2. Material accounting policies (continued)

(i) Inventories (continued)

(iii) Inventory properties (continued)

Landowners' entitlements are recognised as liabilities until settled in accordance with the terms of the respective joint development agreements. Such liabilities represent obligations to transfer specified property units, development rights or other non-cash consideration and therefore do not constitute financial liabilities within the scope of *MFRS 9 Financial Instruments*.

Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

Inventory properties under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once sold, the cost of these inventories is recognised in profit or loss as and when control passes to the respective customers.

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

(j) Financial guarantee contracts

Financial guarantee contracts are recognised initially at fair value. Subsequent to initial recognition, they are measured at the higher of the expected credit loss allowance determined under MFRS 9 and the amount initially recognised less cumulative amortisation, where appropriate.

(k) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

3. Revenue

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Revenue from contracts with customers:				
Recognised at a point in time				
Sale of goods	302,799,095	268,643,295	-	-
Rendering of services	177,727,502	48,142,213	-	-
Sale of completed development units	4,137,000	3,085,920	-	-
	484,663,597	319,871,428	-	-
Recognised over time				
Property development	44,863,376	19,041,717	-	-
	529,526,973	338,913,145	-	-
Revenue from other sources:				
Dividend income	-	-	26,329,300	18,927,450
Interest income	384,514	421,735	-	-
Operating lease income	2,758,954	1,879,847	-	-
	3,143,468	2,301,582	26,329,300	18,927,450
	532,670,441	341,214,727	26,329,300	18,927,450

Revenue from contracts with customers

Revenue from contracts with customers is disaggregated in the table below by primary geographical market:

	Group	
	2026 RM	Restated 2025 RM
Malaysia	401,842,147	261,850,419
Singapore	14,582,748	22,861,581
United States of America	26,528,648	32,999,189
China	67,090,811	152,272
Others	19,482,619	21,049,684
	529,526,973	338,913,145

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

4. Other income

	Group		Company	
		Restated		
	2026 RM	2025 RM	2026 RM	2025 RM
Amortisation of deferred income on government grants	31,706	31,709	-	-
Fair value gains on:				
- derivatives	6,938	223,246	-	-
- other investments	-	1,640,188	-	-
Gain on derecognition of right-of-use assets	4,240	672,589	-	-
Gain on disposal of:				
- other investments	28,500	-	28,500	-
- property, plant and equipment	143,738	8,654	-	-
- investment properties	846,722	-	-	-
Gain on lawsuit settlement	-	402,275	-	-
Reversal of inventories written down	999,729	280,109	-	-
Interest income from:				
- bank	339,074	305,859	9,884	13,395
- short-term fund	851,701	1,086,485	16,619	22,016
- amount due from subsidiaries	-	-	3,340,981	1,922,187
Realised gain on foreign exchange	627,481	188,393	-	-
Unrealised gain on foreign exchange	1,822,468	877,623	-	-
Management fee	180,000	-	-	-
Rental income	13,157,636	3,842,089	-	-
Scrap sales	3,336,862	2,303,487	-	-
Other income	138,788	748,229	-	-
	22,515,583	12,610,935	3,395,984	1,957,598

5. Finance costs

	Group		Company	
		Restated		
	2026 RM	2025 RM	2026 RM	2025 RM
Interest expense on:				
- loans and borrowings	6,352,119	6,349,969	1,841,902	1,394,701
- hire purchase payables	6,234	6,579	-	-
- lease liabilities	443,436	650,522	3,199	9,973
- amount due to subsidiaries	-	-	25,471	87,706
	6,801,789	7,007,070	1,870,572	1,492,380

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

6. Employee benefits expense

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Staff costs				
Salaries and other emoluments	76,731,379	60,103,781	171,719	152,822
Bonus	4,604,444	2,754,449	16,335	13,517
Staff incentives	2,071,019	1,144,490	3,180	-
Contributions to defined contribution plan	6,300,868	5,696,936	17,419	20,618
Contributions to social security and employment insurance system	961,946	880,134	3,439	2,409
Other employee benefits	8,399,517	5,627,684	588	21,731
	99,069,173	76,207,474	212,680	211,097
Directors of the Company:				
(i) Executive Directors:				
- Fees	-	10,000	-	5,000
- Salaries and other emoluments	1,288,877	1,290,347	532,540	577,424
- Contributions to defined contribution plan	112,074	108,662	21,306	23,097
- Social security contributions	-	3,523	-	855
- HRD corp levy	-	6,556	-	-
	1,400,951	1,419,088	553,846	606,376
(ii) Non-executive Directors:				
- Fees	70,000	61,424	70,000	61,424
- Other emoluments	23,600	16,600	23,600	16,600
	93,600	78,024	93,600	78,024
	1,494,551	1,497,112	647,446	684,400
Directors of the subsidiaries:				
Fees	-	30,000	-	-
Salaries and other emoluments	3,660,622	3,810,339	-	-
Contribution to defined contribution plan	444,109	472,776	-	-
	4,104,731	4,313,115	-	-
Total Directors' remuneration	5,599,282	5,810,227	647,446	684,400
Total employee benefits	104,668,455	82,017,701	860,126	895,497

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

7. Profit/(Loss) before tax

	Group		Company	
		Restated		
	2026 RM	2025 RM	2026 RM	2025 RM
Profit/(Loss) before tax is arrived at after charging/(crediting):				
Auditors' remuneration:				
- current year	440,000	502,500	60,000	105,000
- prior year	-	1,000	-	-
Amortisation of:				
- intangible assets	603,862	603,862	-	-
- contract costs	203,026	94,267	-	-
- government grant	(31,706)	(31,709)	-	-
Bad debt written off	990	-	-	-
Depreciation of:				
- property, plant and equipment	21,303,744	15,966,735	59,858	78,290
- investment properties	264,775	310,139	-	-
- Right-of-use assets	5,475,520	5,215,646	127,482	139,071
Impairment loss on:				
- intangible assets	193,066	30,333,592	-	-
- property, plant and equipment	-	55,411	-	-
Inventories written down				
- reversal	(999,729)	(280,109)	-	-
- addition	58,368	3,176,388	-	-
Fair value loss/(gain) on other investments				
- gain	-	(1,640,188)	-	-
- loss	8,000	58,402	-	-
	8,000	(1,581,786)	-	-
Fair value (gain)/loss on derivatives				
- gain	(6,938)	(223,246)	-	-
- loss	43,425	271,505	-	-
	36,487	48,259	-	-
Fair value loss on contingent consideration	249,922	209,477	-	-
Interest expense for:				
- loans and borrowings	6,352,119	6,349,969	1,841,902	1,394,701
- hire purchase payables	6,234	6,579	-	-
- amount due to subsidiaries	-	-	25,471	87,706

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

7. Profit/(Loss) before tax (continued)

	Group		Company	
		Restated		
	2026 RM	2025 RM	2026 RM	2025 RM
Profit/(Loss) before tax is arrived at after charging/(crediting): -				
Interest expense for lease liabilities	443,436	650,522	3,199	9,973
Lease expense relating to:				
- short-term leases	8,003,616	2,693,953	-	-
- low-value assets	53,513	56,377	-	-
- variable lease payments not included in measurement of lease liabilities	8,430,559	2,559,920	-	-
Gain on derecognition of right-of-use assets	(4,240)	(672,589)	-	-
(Gain)/Loss on disposal of property, plant and equipment				
- gain	(143,738)	(8,654)	-	-
- loss	-	13,237	-	-
	(143,738)	4,583	-	-
Gain on disposal of investment properties	(846,722)	-	-	-
Gain on disposal of other investment	(28,500)	-	(28,500)	-
Realised on foreign exchange				
- gain	(627,481)	(188,393)	-	-
- loss	2,525,796	1,179,933	-	-
	1,898,315	991,540	-	-
Unrealised on foreign exchange				
- gain	(1,822,468)	(877,623)	-	-
- loss	645,571	975,176	-	-
	(1,176,897)	97,553	-	-
Prepayment written off	-	740,000	-	-
Property, plant and equipment written off	32,114	629,321	-	1,625
Interest income from:				
- bank	(339,074)	(305,859)	(9,884)	(13,395)
- short-term fund	(889,799)	(1,086,485)	(16,619)	(22,016)
- amount due from subsidiaries	-	-	(3,340,981)	(1,922,187)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

8. Tax expense

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Current tax				
- current	12,775,868	10,273,102	490,000	285,000
- (over)/underprovision in prior years	(721,216)	(450,712)	(474,256)	27,782
- real property gain tax	44,142	-	-	-
	12,098,794	9,822,390	15,744	312,782
Deferred tax (Note 31)				
- current	624,928	(463,227)	-	-
- overprovision in prior years	(677,949)	(95,700)	-	-
	(53,021)	(558,927)	-	-
	12,045,773	9,263,463	15,744	312,782
Reconciliation of tax expense				
Profit/(Loss) before tax:	61,232,295	(11,575,329)	(924,418)	7,438,574
Tax calculated at statutory rate of 24%	14,695,751	(2,778,079)	(221,860)	1,785,258
Non-deductible expenses	7,236,382	9,999,331	7,342,819	3,047,614
Non-taxable income	(4,865,999)	(996,464)	(6,630,959)	(4,547,872)
Reinvestment allowance claimed	-	(223,872)	-	-
Pioneer income exempted	-	(299,123)	-	-
(Utilisation of deferred tax assets previously not recognised)/Deferred tax assets not recognised during the financial year	(3,665,338)	4,108,082	-	-
	13,400,796	9,809,875	490,000	285,000
Real property gain tax	44,142	-	-	-
(Over)/Underprovision in prior year:				
- income tax expense	(721,216)	(450,712)	(474,256)	27,782
- deferred tax	(677,949)	(95,700)	-	-
	12,045,773	9,263,463	15,744	312,782

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

8. Tax expense (continued)

The Group has unutilised tax losses and unabsorbed capital allowances amounting to RM53,049,000 and RM25,826,000 (2025: RM63,200,000 and RM31,624,000) respectively.

Unutilised tax losses can be carried forward for a period of 10 years of assessment ("YA") to set off against future taxable profits as follows:

	Group	
	RM	**Utilised up to**
YA 2018 and before	17,652,000	YA 2028
YA 2019	821,000	YA 2029
YA 2020	1,796,000	YA 2030
YA 2021	356,000	YA 2031
YA 2022	2,116,000	YA 2032
YA 2023	7,148,000	YA 2033
YA 2024	11,191,000	YA 2034
YA 2025	11,459,000	YA 2035
YA 2026	510,000	YA 2036

9. Earnings/(Loss) per share

Basic earnings per share is calculated by dividing profit/(loss) for the financial year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2026	**Restated 2025**
Earnings/(Loss) for the financial year attributable to owners of the parent (RM)	47,278,971	(16,007,496)
Weighted average number of ordinary shares in issue (units)	320,180,803	320,180,803
Basic earnings/(loss) per share (sen)	14.77	(5.00)

The diluted earnings/(loss) per share equals the basic earnings/(loss) per share as the Company did not have any dilutive potential ordinary shares during the financial year.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment

Group 2026 Cost	Freehold land RM	Buildings RM	Building improvement and renovation RM	Factory machinery, moulds and equipment RM	Furniture, fittings, office equipment and computer software RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
At 1 July 2025	4,161,603	56,721,228	30,887,842	162,782,887	23,298,603	2,354,477	12,052,129	292,258,769
Additions	-	29,764	2,242,441	25,673,938	4,305,084	228,045	11,038,097	43,517,369
Disposals/Write-offs	-	-	(23,164)	(1,133,564)	(137,900)	(76,154)	-	(1,370,782)
Reclassifications	-	-	2,589,720	7,365,722	25,020	-	(9,980,462)	-
At 30 June	4,161,603	56,750,992	35,696,839	194,688,983	27,490,807	2,506,368	13,109,764	334,405,356

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment (continued)

Group 2026	Freehold land RM	Buildings RM	Building improvement and renovation RM	Factory machinery, moulds and equipment RM	Furniture, fittings, office equipment and computer software RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
Depreciation and impairment losses								
At 1 July 2025								
Accumulated depreciation	-	14,266,090	10,671,394	93,496,319	14,371,552	1,430,222	-	134,235,577
Accumulated impairment losses	-	-	7,262	1,836,872	688,205	37,761	127,220	2,697,320
	-	14,266,090	10,678,656	95,333,191	15,059,757	1,467,983	127,220	136,932,897
Depreciation	-	1,498,400	3,135,903	13,515,622	2,911,531	242,288	-	21,303,744
Disposals/Write-offs	-	-	(16,875)	(1,042,284)	(118,526)	(58,619)	-	(1,236,304)
Reclassifications	-	-	114,612	-	(114,612)	-	-	-
At 30 June								
Accumulated depreciation	-	15,764,490	13,905,034	105,969,657	17,049,945	1,613,891	-	154,303,017
Accumulated impairment losses	-	-	7,262	1,836,872	688,205	37,761	127,220	2,697,320
	-	15,764,490	13,912,296	107,806,529	17,738,150	1,651,652	127,220	157,000,337
Carrying amount								
At 30 June	4,161,603	40,986,502	21,784,543	86,882,454	9,752,657	854,716	12,982,544	177,405,019

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment (continued)

Group 2025 Cost	Freehold land RM	Buildings RM	Building improvement and renovation RM	Factory machinery, moulds and equipment RM	Furniture, fittings, office equipment and computer software RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
At 1 July 2024	4,328,270	57,054,561	23,239,265	150,836,452	20,759,295	2,216,537	2,021,647	260,456,027
Additions	-	-	5,648,337	12,196,920	2,773,164	109,950	13,240,489	33,968,860
Disposals/Write-offs	-	-	(518,877)	(877,428)	(269,813)	-	-	(1,666,118)
Transfer to right-of-use assets	(166,667)	(333,333)	-	-	-	-	-	(500,000)
Reclassifications	-	-	2,519,117	626,943	35,957	27,990	(3,210,007)	-
At 30 June	4,161,603	56,721,228	30,887,842	162,782,887	23,298,603	2,354,477	12,052,129	292,258,769

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment (continued)

Group 2025	Freehold land RM	Buildings RM	Building improvement and renovation RM	Factory machinery, moulds and equipment RM	Furniture, fittings, office equipment and computer software RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
Depreciation and impairment losses								
At 1 July 2024								
Accumulated depreciation	-	12,420,652	8,513,432	84,695,859	12,326,641	1,185,829	-	119,142,413
Accumulated impairment losses	-	-	938	1,813,078	666,333	35,122	127,220	2,642,691
	-	12,420,652	8,514,370	86,508,937	12,992,974	1,220,951	127,220	121,785,104
Depreciation	-	1,858,772	1,993,416	9,772,804	2,102,948	238,795	-	15,966,735
Impairment loss	-	-	7,106	23,794	21,872	2,639	-	55,411
Disposals/Write-offs	-	-	(32,800)	(775,953)	(52,266)	-	-	(861,019)
Transfer to right-of-use assets	-	(13,334)	-	-	-	-	-	(13,334)
Reclassifications	-	-	196,564	(196,391)	(5,771)	5,598	-	-
At 30 June								
Accumulated depreciation	-	14,266,090	10,671,394	93,496,319	14,371,552	1,430,222	-	134,235,577
Accumulated impairment losses	-	-	7,262	1,836,872	688,205	37,761	127,220	2,697,320
	-	14,266,090	10,678,656	95,333,191	15,059,757	1,467,983	127,220	136,932,897
Carrying amount								
At 30 June	4,161,603	42,455,138	20,209,186	67,449,696	8,238,846	886,494	11,924,909	155,325,872

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment (continued)

Company	Renovation	Furniture, fittings and office equipment	Motor vehicles	Total
2026	**RM**	**RM**	**RM**	**RM**
Cost				
At 1 July 2025/30 June	427,084	979,870	1,800	1,408,754
Accumulated depreciation				
At 1 July 2025	396,727	878,640	1,799	1,277,166
Depreciation	26,510	33,348	-	59,858
At 30 June	423,237	911,988	1,799	1,337,024
Carrying amount				
At 30 June	3,847	67,882	1	71,730
2025				
Cost				
At 1 July 2024	427,084	990,370	1,800	1,419,254
Additions	-	23,438	-	23,438
Written-offs	-	(33,938)	-	(33,938)
At 30 June	427,084	979,870	1,800	1,408,754
Accumulated depreciation				
At 1 July 2024	358,393	870,997	1,799	1,231,189
Depreciation	38,334	39,956	-	78,290
Written-offs	-	(32,313)	-	(32,313)
At 30 June	396,727	878,640	1,799	1,277,166
Carrying amount				
At 30 June	30,357	101,230	1	131,588

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment (continued)

The Group assessed indicators of impairment during the financial year and performed impairment assessments, with the recoverable amounts of the relevant cash-generating units ("CGUs") determined based on fair value less costs of disposal.

Based on the assessments performed, management concluded that the recoverable amounts of the relevant CGUs exceeded their carrying amounts as at 30 June 2026 and, accordingly, no impairment loss was recognised during the financial year (2025: RM 55,411).

The determination of fair value less costs of disposal requires the use of estimates and assumptions and involves significant judgement by management.

The carrying amounts of property, plant and equipment pledged as security for credit facilities granted to the Group are as follows:

	Group	
	2026	**2025**
	RM	**RM**
Buildings	27,674,105	29,071,225
Building improvement and renovation*	8,680,164	11,001,006
Factory machinery, moulds and equipment	27,113,215	31,397,881
	63,467,484	71,470,112

* Being building improvement and renovation attached to the pledged buildings.

The carrying amount of the property, plant and equipment of the Group acquired under hire purchase financing which remained outstanding as at the end of the reporting period was RM102,318 (2025: RM190,696).

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

11. Investment properties

Group	Freehold land RM	Leasehold land RM	Buildings RM	Total RM
2026				
Cost				
At 1 July 2025	2,356,000	3,530,000	11,631,405	17,517,405
Disposals	(1,506,000)	-	(1,283,006)	(2,789,006)
At 30 June	850,000	3,530,000	10,348,399	14,728,399
Accumulated depreciation				
At 1 July 2025	-	1,825,916	4,823,401	6,649,317
Depreciation	-	65,063	199,712	264,775
Disposals	-	-	(135,728)	(135,728)
At 30 June	-	1,890,979	4,887,385	6,778,364
Carrying amount				
At 30 June	850,000	1,639,021	5,461,014	7,950,035
2025				
Cost				
At 1 July 2024/30 June	2,356,000	3,530,000	11,631,405	17,517,405
Accumulated depreciation				
At 1 July 2024	-	1,760,854	4,578,324	6,339,178
Depreciation	-	65,062	245,077	310,139
At 30 June	-	1,825,916	4,823,401	6,649,317
Carrying amount				
At 30 June	2,356,000	1,704,084	6,808,004	10,868,088

The fair value of the investment properties is categorised within Level 3 of the fair value hierarchy and was determined by management using the market comparison approach. Significant unobservable inputs include adjusted market prices of comparable properties, taking into consideration differences in location, size, condition and other relevant characteristics.

No independent external valuation was obtained during the financial year.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

11. Investment properties (continued)

The fair values of investment properties as at 30 June 2026 were estimated at approximately RM25,446,000 (2025: RM28,696,000). The fair values were determined by management based on reference to relevant market information and were categorised within Level 3 of the fair value hierarchy.

Investment properties have been pledged as security for credit facilities granted to the Group as disclosed in Note 27 to the financial statements.

	Group	
	2026	**2025**
	RM	**RM**
Recognised in profit or loss:		
Rental income	2,758,954	1,879,847
Direct operating expenses generating rental income	510,116	158,518

The Group leases its buildings under operating leases for 1 to 3 years. The undiscounted lease payments to be received are as follows:

	Group	
	2026	**2025**
	RM	**RM**
Within 1 year	2,338,465	2,338,465
1 to 5 years	779,488	4,189,750
	3,117,953	6,528,215

12. Right-of-use assets

Group	**Leasehold land** **RM**	**Buildings** **RM**	**Total** **RM**
2026			
At 1 July 2025	31,266,737	14,029,631	45,296,368
Additions	-	576,814	576,814
Depreciation	(1,692,868)	(3,782,652)	(5,475,520)
Derecognition	-	(132,504)	(132,504)
At 30 June	29,573,869	10,691,289	40,265,158

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

12. Right-of-use assets (continued)

Group	Leasehold land RM	Buildings RM	Total RM
2025			
At 1 July 2024	32,795,858	8,248,163	41,044,021
Additions	-	9,878,312	9,878,312
Remeasurement of lease liabilities	-	791,473	791,473
Depreciation	(1,695,788)	(3,519,858)	(5,215,646)
Derecognition	-	(1,688,458)	(1,688,458)
Transfer from property, plant and equipment	166,667	319,999	486,666
At 30 June	31,266,737	14,029,631	45,296,368

The Group acquired the rights to use the leasehold land as its principal places of business for 21 to 60 years (2025: 22 to 61 years). It also leases the buildings from related parties for business operations. The initial lease terms range from 1 to 3 years (2025: 1 to 3 years) and are extendable for 2 to 3 years.

Leasehold land has been pledged as security for credit facilities granted to the Group as disclosed in Note 27 to the financial statements.

Company	Buildings RM
2026	
At 1 July 2025	127,482
Depreciation	(127,482)
At 30 June	-
2025	
At 1 July 2024	266,553
Depreciation	(139,071)
At 30 June	127,482

The Company leases a premises as its principal place of business for 1 year with an option to renew for another 1 year.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

13. Intangible assets

Group 2026	Goodwill RM	Trademarks RM	Customer relationships RM	Intellectual property RM	Total RM
Cost					
At 1 July 2025/30 June	28,581,724	20,497,000	6,856,498	69,171	56,004,393
Accumulated amortisation					
At 1 July 2025	-	-	1,308,701	-	1,308,701
Charge for the financial year	-	-	603,862	-	603,862
At 30 June	-	-	1,912,563	-	1,912,563
Accumulated impairment losses					
At 1 July 2025	22,477,133	7,856,459	-	-	30,333,592
Impairment loss for the financial year	-	-	123,895	69,171	193,066
At 30 June	22,477,133	7,856,459	123,895	69,171	30,526,658
Carrying amount					
At 30 June	6,104,591	12,640,541	4,820,040	-	23,565,172

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

13. Intangible assets (continued)

Group 2025	Goodwill RM	Trademarks RM	Customer relationships RM	Intellectual property RM	Total RM
Cost					
At 1 July 2024	28,581,724	18,297,000	6,856,498	69,171	53,804,393
Additions	-	2,200,000	-	-	2,200,000
At 30 June	28,581,724	20,497,000	6,856,498	69,171	56,004,393
Accumulated amortisation					
At 1 July 2024	-	-	704,839	-	704,839
Charge for the financial year	-	-	603,862	-	603,862
At 30 June	-	-	1,308,701	-	1,308,701
Accumulated impairment losses					
At 1 July 2024	-	-	-	-	-
Additions	22,477,133	7,856,459	-	-	30,333,592
At 30 June	22,477,133	7,856,459	-	-	30,333,592
At 30 June	6,104,591	12,640,541	5,547,797	69,171	24,362,100

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

13. Intangible assets (continued)

Goodwill

Goodwill is attributable to the following subsidiaries:

	Group	
	2026	**2025**
	RM	**RM**
Medicwave (M) Sdn. Bhd.	6,075,020	6,075,020
Others	29,571	29,571
	6,104,591	6,104,591

Each subsidiary represents a separate CGU, except for Avelon, which are collectively considered as a single group of CGUs for impairment testing purposes in line with the Group's internal monitoring of goodwill.

The recoverable amounts of the CGUs were determined based on their value in use, calculated by discounting future cash flows to be generated by the units. The future cash flows were projected based on the most recent financial budgets/forecasts approved by management covering a 5-year period. A growth rate ranging from 0% to 5.00% (2025: 0%) was used to extrapolate the cash flow projections beyond the 5 years covered by the financial budgets/forecasts. Discount rates ranging from 8.11% to 8.91% (2025: 10.55% to 13.42%) were applied to the cash flow projections to calculate the value in use.

The key assumptions used in the financial budgets/forecasts include among others: (i) budgeted revenue for 2027; (ii) annual growth for 2028 to 2031; and (iii) budgeted gross margins. The values assigned to the key assumptions reflect managem1,6ent's assessment of the CGUs' future prospects and are mainly based on past experience and internal historical data. Such data include factors such as average revenues and gross margins achieved in previous periods, adjusted for anticipated growth arising from ongoing improvements in product quality, marketing strategy, cost optimisation measures, and operational efficiency.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

13. Intangible assets (continued)

Goodwill (continued)

Based on the assessments performed, the Group recognised impairment losses of RM22,477,133 in previous financial year for Avelon as the recoverable amounts of the subsidiaries were lower than their carrying amounts as below:

	2026 RM	2025 RM
Arise Healthcare Sdn. Bhd.	-	150,260
Avelon Arise Sdn. Bhd.	-	1,414,313
Avelon Healthcare Sdn. Bhd.	-	18,202,606
Galaxis Healthcare Sdn. Bhd.	-	2,709,954
	-	22,477,133

Trademarks

Trademarks are attributable to the following subsidiaries:

	Group	
	2026 RM	2025 RM
Avelon Healthcare Sdn. Bhd.	10,440,541	10,440,541
Galaxis Healthcare Sdn. Bhd. (“GHSB”)	2,200,000	2,200,000
	12,640,541	12,640,541

During the previous financial year, GHSB acquired trademarks from a Director of GHSB for a total consideration of RM2,200,000.

The Group has assumed an indefinite useful life for the acquired trademarks because these brands have been established in the market for a number of years, are expected to continue contributing to cash flows indefinitely, and there is no foreseeable limit to the period over which they are expected to generate net cash inflows.

During the financial year, no impairment loss was recognised in respect of trademarks (2025: RM7,856,459). The impairment loss recognised in the previous financial year related to trademarks attributable to Avelon Healthcare Sdn. Bhd. and arose from the impairment assessment performed at the cash-generating unit (“CGU”) level as described under the “Goodwill” section above. Following the full impairment of goodwill, the remaining impairment loss was allocated to trademarks. The recoverable amount and key assumptions used in the impairment assessment are disclosed above.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries

	Company	
	2026	**2025**
	RM	**RM**
Unquoted shares, at cost	284,137,365	269,237,365
Additions	16,800,000	16,000,000
Redemptions	(17,800,000)	(1,100,000)
	283,137,365	284,137,365
Less: Impairment loss		
At 1 July 2025/2024	(30,324,409)	(21,326,474)
Impairment loss for the financial year	(26,186,259)	(8,997,935)
At 30 June	(56,510,668)	(30,324,409)
	226,626,697	253,812,956

Management assessed indicators of impairment during the financial year and performed impairment assessments. The recoverable amounts were determined based on fair value less costs to sell of the underlying subsidiaries. In the absence of observable market prices, the fair values were estimated by reference to the net asset positions of the respective subsidiaries.

Based on these assessments, an impairment loss of RM26,186,259 (2025: RM8,997,935) was recognised as the recoverable amounts were lower than the carrying amounts of the investments.

The details of the subsidiaries are as follows:

Name of companies:	**Principal place of business and country of incorporation**	**Effective equity interest**		**Principal activities**
		2026	**2025**	
Avelon Healthcare Group Sdn. Bhd.	Malaysia	70%	70%	Investment holding
Innospec Sdn. Bhd.	Malaysia	100%	100%	Electronic manufacturing services, product development and manufacturing services for PCB assembly, cable assembly, electromechanical assembly, and test
Kewjaya Sdn. Bhd.	Malaysia	100%	100%	Money lending
Kobay Assets Sdn. Bhd.	Malaysia	100%	100%	Property letting

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The details of the subsidiaries, all of which are incorporated in Malaysia, are as follows: (continued)

Name of companies:	Principal place of business and country of incorporation	Effective equity interest		Principal activities
		2026	2025	
Kobay G Sdn. Bhd.	Malaysia	100%	100%	Marketing and project management services for property developers
Kobay Industries Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Kobay Land Sdn. Bhd.	Malaysia	100%	100%	Property development
Kobay Management Services Sdn. Bhd.	Malaysia	100%	100%	Management services
Kobay Project Venture Sdn. Bhd.	Malaysia	100%	100%	Property development
Kobay SB Sdn. Bhd.	Malaysia	100%	100%	Property development
Kobay UA Sdn. Bhd.	Malaysia	100%	100%	Contract manufacturer and electronic manufacturing service provider
Kual Technologies Sdn. Bhd.	Malaysia	51%	51%	Manufacture of aluminium extrusion, formation, surface treatment for parts manufactured to all industries
Lavanya Resorts Sdn. Bhd.	Malaysia	100%	100%	Hotel operator and property management
LD Global Sdn. Bhd.	Malaysia	100%	100%	Property development
Lodge 18 Sdn. Bhd.	Malaysia	100%	100%	Providing accommodation rental services, letting of accommodation space or room and related services
Masset Capital Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Premierview Property Sdn. Bhd.	Malaysia	100%	100%	Property development
Ultimate Sanctuary Sdn. Bhd.	Malaysia	100%	100%	Property development

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The details of the subsidiaries, all of which are incorporated in Malaysia, are as follows: (continued)

Name of companies:	Principal place of business and country of incorporation	Effective equity interest 2026	Effective equity interest 2025	Principal activities
Subsidiaries of Avelon Healthcare Group Sdn. Bhd.				
Arise Healthcare Sdn. Bhd.	Malaysia	70%	70%	Retail sale of pharmaceutical, medicine and healthcare products
Avelon Arise Sdn. Bhd.	Malaysia	70%	70%	Retail sale of pharmaceutical, medicine and healthcare products
Avelon Healthcare Sdn. Bhd.	Malaysia	70%	70%	Sale of healthcare products
Galaxis Healthcare Sdn. Bhd.	Malaysia	70%	70%	Sale of healthcare products
Medicwave (M) Sdn. Bhd.	Malaysia	49%	49%	Sale of medical devices
Subsidiaries of Kobay Industries Sdn. Bhd.				
Bend Weld Engineering Sdn. Bhd.	Malaysia	100%	100%	Manufacture of metal works and structures, modules and parts for oil & gas production and extraction equipment
KT Microhandling Sdn. Bhd.	Malaysia	100%	100%	Manufacture of semiconductor assembly and testing equipment
Maker Technologies Sdn. Bhd.	Malaysia	100%	100%	Electronic manufacturing services, product development and manufacturing for PCB assembly, cable assembly, electromechanical assembly, and test
Micro Surface Treatment Sdn. Bhd.	Malaysia	90%	90%	Precision plating and surface treatment

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The details of the subsidiaries, all of which are incorporated in Malaysia, are as follows: (continued)

Name of companies:	Principal place of business and country of incorporation	Effective equity interest 2026	Effective equity interest 2025	Principal activities
Subsidiaries of Kobay Industries Sdn. Bhd. (continued)				
Paradigm Aerospace Sdn. Bhd.	Malaysia	100%	100%	Manufacture of components and sub-assemblies for aerospace parts
Paradigm Metal Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacture of precision metal stamping, sheet metal and die casting parts
Paradigm Precision Components Sdn. Bhd.	Malaysia	100%	100%	Manufacture of precision machined components
Polytool Technologies Sdn. Bhd.	Malaysia	100%	100%	Manufacture of industrial equipment, machinery parts and tooling, encapsulation moulds, trim and form dies and progressive tooling for lead frames
Super Tropica Development Sdn. Bhd.	Malaysia	100%	100%	Property development

Changes in investments in subsidiaries during the financial year are as follows:

(i) Innospec Sdn. Bhd. redeemed 17,800,000 redeemable convertible cumulative preference shares held by the Company for a total cash consideration of RM17,800,000.

(ii) The Company subscribed for an additional 16,800,000 redeemable convertible non-cumulative preference shares in Kobay UA Sdn. Bhd. for a total cash consideration of RM16,800,000.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The subsidiaries of the Group that have non-controlling interests ("NCI") are as follows:

	Accumulated NCI		Profit/(Loss) allocated to NCI	
		Restated		Restated
	2026	2025	2026	2025
Group	**RM**	**RM**	**RM**	**RM**
Avelon Healthcare Group Sdn. Bhd.	618,434	(5,956)	624,390	401,969
Kual Technologies Sdn. Bhd.	(11,105,266)	(9,446,447)	(1,658,819)	(4,552,390)
Arise Healthcare Sdn. Bhd.	238,515	206,783	31,732	(52,565)
Avelon Healthcare Sdn. Bhd.	7,473,907	7,113,840	360,067	(2,785,658)
Avelon Arise Sdn. Bhd.	736,144	746,277	(10,133)	44,320
Galaxis Healthcare Sdn. Bhd.	1,497,836	1,475,333	22,503	(97,444)
Medicwave (M) Sdn. Bhd.	8,888,676	8,342,622	2,246,090	1,897,476
Micro Surface Treatment Sdn. Bhd.	1,208,992	1,047,271	291,721	312,996
	9,557,238	9,479,723	1,907,551	(4,831,296)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Micro Surface Treatment Sdn. Bhd. RM	Avelon Healthcare Group Sdn. Bhd. RM	Kual Technologies Sdn. Bhd. RM	Arise Healthcare Sdn. Bhd. RM	Avelon Arise Sdn. Bhd. RM	Avelon Healthcare Sdn. Bhd. RM	Galaxis Healthcare Sdn. Bhd. RM	Medicwave (M) Sdn. Bhd. RM
2026								
Percentage of ownership interest and voting interest of NCI	10%	30%	49%	30%	30%	30%	30%	51%
Carrying amount of NCI	1,208,992	618,434	(11,105,266)	238,515	736,144	7,473,907	1,497,836	8,888,676
NCI share of profit/(loss)	291,721	624,390	(1,658,819)	31,732	(10,133)	360,067	22,503	2,246,090
Dividend paid to NCI	(130,000)	-	-	-	-	-	-	(1,700,036)
Profit/(Loss) allocated to NCI	161,721	624,390	(1,658,819)	31,732	(10,133)	360,067	22,503	546,054
As at 30 June:								
Non-current assets	8,198,278	40,287,833	31,823,801	-	1,114,218	6,114,075	2,398,468	502,682
Current assets	9,307,152	266,606	30,092,689	808,297	3,615,724	20,831,691	4,645,979	14,680,452
Non-current liabilities	(1,799,461)	-	(9,574,214)	-	(777,312)	(215,801)	-	-
Current liabilities	(3,503,149)	(6,529,746)	(28,584,579)	(13,248)	(1,494,702)	(19,531,967)	(2,103,043)	(1,322,494)
Net assets	12,202,820	34,024,693	23,757,697	795,049	2,457,928	7,197,998	4,941,404	13,860,640

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

Summarised financial information before intra-group elimination:

Financial year ended 30 June 2026	Micro Surface Treatment Sdn. Bhd. RM	Avelon Healthcare Group Sdn. Bhd. RM	Kual Technologies Sdn. Bhd. RM	Arise Healthcare Sdn. Bhd. RM	Avelon Arise Sdn. Bhd. RM	Avelon Healthcare Sdn. Bhd. RM	Galaxis Healthcare Sdn. Bhd. RM	Medicwave (M) Sdn. Bhd. RM
Revenue	19,813,068	2,333,360	52,199,597	2,257,597	9,048,071	56,767,482	8,950,005	13,904,501
Profit/(Loss) of the year	3,030,426	1,235,105	(3,463,841)	105,773	(29,659)	1,307,935	115,441	5,012,586
Total comprehensive income/(loss)	3,030,426	1,235,105	(3,463,841)	105,773	(29,659)	1,307,935	115,441	5,012,586
Cash from/(used in) operating activities	1,187,640	314,939	2,139,623	(278,560)	131,829	2,365,467	(50,528)	3,935,614
Cash (used in)/from investing activities	(601,933)	-	(756,605)	55,611	(13,896)	(85,943)	(3,832)	8,280
Cash (used in)/from financing activities	(1,667,261)	(53,705)	(2,204,313)	-	(359,999)	(2,613,510)	-	(3,333,400)
Net (decrease)/increase in cash and cash equivalents	(1,081,554)	261,234	(821,295)	(222,949)	(242,066)	(333,986)	(54,360)	610,494
Dividend paid to NCI	(130,000)	-	-	-	-	-	-	(1,700,036)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

The subsidiaries that have material non-controlling interests are as follows:

	Micro Surface Treatment Sdn. Bhd. RM	Avelon Healthcare Group Sdn. Bhd. RM	Kual Technologies Sdn. Bhd. RM	Arise Healthcare Sdn. Bhd. RM	Avelon Arise Sdn. Bhd. RM	Avelon Healthcare Sdn. Bhd. RM	Galaxis Healthcare Sdn. Bhd. RM	Medicwave (M) Sdn. Bhd. RM
2025								
Percentage of ownership interest and voting interest of NCI	10%	30%	49%	30%	30%	30%	30%	51%
Carrying amount of NCI (restated)	1,047,271	(5,956)	(9,446,447)	206,783	746,277	7,113,840	1,475,333	8,342,622
NCI share of profit/(loss)	312,996	401,969	(4,552,390)	(52,565)	44,320	(2,785,658)	(97,444)	1,897,476
Dividend paid to NCI	(320,000)	-	-	-	-	-	-	(1,249,525)
(Loss)/Profit allocated to NCI	(7,004)	401,969	(4,552,390)	(52,565)	44,320	(2,785,658)	(97,444)	647,951
As at 30 June:								
Non-current assets	7,202,506	40,287,833	35,377,935	81,768	1,445,334	6,361,197	2,442,825	540,067
Current assets	6,492,924	1,011,692	29,480,398	847,699	2,794,068	19,012,590	4,283,830	12,351,105
Non-current liabilities	(1,476,286)	-	(11,972,201)	-	(650,483)	(317,592)	-	(7,000)
Current liabilities	(1,746,751)	(8,509,937)	(25,664,594)	(240,191)	(1,101,332)	(19,166,132)	(1,900,692)	(702,717)
Net assets	10,472,393	32,789,588	27,221,538	689,276	2,487,587	5,890,063	4,825,963	12,181,455

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Investments in subsidiaries (continued)

Summarised financial information before intra-group elimination:

Financial year ended 30 June 2025	Micro Surface Treatment Sdn. Bhd. RM	Avelon Healthcare Group Sdn. Bhd. RM	Kual Technologies Sdn. Bhd. RM	Arise Healthcare Sdn. Bhd. RM	Avelon Arise Sdn. Bhd. RM	Avelon Healthcare Sdn. Bhd. RM	Galaxis Healthcare Sdn. Bhd. RM	Medicwave (M) Sdn. Bhd.
Revenue	14,791,593	1,715,020	42,863,103	3,840,367	8,776,856	54,294,424	6,343,725	11,866,012
Profit/(Loss) of the financial year representing comprehensive income/(loss)	3,129,965	1,725,178	(9,290,591)	(175,216)	147,732	(1,280,925)	(324,813)	3,727,637
Cash from/(used in) operating activities	2,834,270	(268,719)	(18,337,860)	72,778	(225,283)	(2,464,844)	2,434,601	3,343,231
Cash (used in)/from investing activities	(508,582)	65,020	(2,108,688)	-	(688)	(43,335)	(2,213,333)	(10,519)
Cash (used in)/from financing activities	(4,476,430)	-	20,544,525	(54,000)	(360,000)	(4,336,572)	-	(2,450,049)
Net (decrease)/increase in cash and cash equivalents	(2,150,742)	(203,699)	97,977	18,778	(585,971)	(6,844,751)	221,268	882,663
Dividend paid to NCI	(320,000)	-	-	-	-	-	-	(1,249,525)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

15. Other investments

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Fair value				
Shares quoted outside Malaysia	893	893	-	-
Shares quoted in Malaysia	8,000	16,000	-	-
Unquoted shares outside Malaysia	2,811,438	2,811,438	-	-
Unquoted shares in Malaysia	9,962,194	1,500	9,962,194	1,500
	12,782,525	2,829,831	9,962,194	1,500

16. Inventories

	Group	
	2026 RM	Restated 2025 RM
Non-current		
At cost		
Land held for property development	71,309,547	70,450,284
Current		
At cost		
Property development costs	22,314,762	14,135,178
Completed development units	89,103,775	91,583,392
Raw materials	17,916,738	17,559,034
Work-in-progress	20,958,916	12,762,360
Finished goods	22,331,967	20,830,282
Goods-in-transit	-	93,031
	172,626,158	156,963,277
At net realisable value		
Raw materials	68,338	166,623
Work-in-progress	4,443	14,621
Finished goods	17,009	849,907
	89,790	1,031,151
	172,715,948	157,994,428
Total	244,025,495	228,444,712

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

16. Inventories (continued)

	Group	
	2026 RM	Restated 2025 RM
Recognised in profit or loss		
- Inventories recognised as cost of sales	390,575,422	229,593,006
- Inventories written down	58,368	3,176,388
- Reversal of inventories written down	(999,729)	(280,109)

Certain land held for property development with a carrying amount of RM14,505,240 (2025: RM14,162,315) has been pledged as security for credit facilities granted to the Group as disclosed in Note 27 to the financial statements.

Included in land held for property development and property development costs are amounts of RM12,897,500 and RM5,100,000 (2025: RM12,897,500 and RM6,072,000) respectively representing the entitlement of landowners pursuant to joint development agreements to undertake the Group's property development projects.

17. Receivables

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Non-current				
Trade receivables				
Loan receivables	6,276,265	6,665,674	-	-
Current				
Trade receivables				
Related parties	12,073,651	3,702,103	-	-
Loan receivables	407,062	387,125	-	-
Unrelated parties	80,989,792	63,640,653	-	-
	93,470,505	67,729,881	-	-
Less: Impairment loss				
At 1 July 2025/2024	(2,831,955)	(2,432,368)	-	-
Reversal/(Addition)	537,852	(399,587)	-	-
At 30 June	(2,294,103)	(2,831,955)	-	-
	91,176,402	64,897,926	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

17. Receivables (continued)

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Other receivables				
Amounts due from subsidiaries	-	-	81,438,621	66,442,503
Third parties	8,887,497	6,111,294	-	-
	8,887,497	6,111,294	81,438,621	66,442,503
Less: Impairment loss				
At 1 July 2025/2024	(48,501)	-	(2,271,156)	(2,271,156)
Addition	(2,130,105)	(48,501)	(1,107,435)	-
At 30 June	(2,178,606)	(48,501)	(3,378,591)	(2,271,156)
	6,708,891	6,062,793	78,060,030	64,171,347
Deposits	4,108,798	4,448,855	27,554	56,927
	10,817,689	10,511,648	78,087,584	64,228,274
Total current	101,994,091	75,409,574	78,087,584	64,228,274
Total receivables				
Trade receivables	97,452,667	71,563,600	-	-
Other receivables	10,817,689	10,511,648	78,087,584	64,228,274
	108,270,356	82,075,248	78,087,584	64,228,274

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

17. Receivables (continued)

Trade receivables

The credit terms of trade receivables range from 30 to 120 days (2025: 30 to 120 days).

Included in the trade receivables of the Group are retention sums which are expected to be recovered as below:

	Group	
	2026	**2025**
	RM	**RM**
Within 1 year	-	612,924

Loan receivables are property loans totalling RM6,683,327 (2025: RM7,052,799) granted to several customers and bearing interest ranging from 4.97% to 7.22% (2025: 5.22% to 7.22%) per annum. The loans are effectively secured against the development units sold to the customers and repayable over 10 to 30 years (2025: 2 to 30 years) as follows:

	Group	
	2026	**2025**
	RM	**RM**
Within 1 year	407,062	387,125
1 to 5 years	1,874,675	1,578,139
More than 5 years	4,401,590	5,087,535
	6,683,327	7,052,799

Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, interest free and repayable on demand except for certain amounts totalling RM58,303,200 (2025: RM48,370,700) which bear interest ranging from 5.60% to 6.50% (2025: 5.50% to 5.72%) per annum.

18. Contract costs

	Group	
	2026	**2025**
	RM	**RM**
At 1 July 2025/2024	222,099	10,186
Additions	2,335,172	306,180
Amortisation	(203,026)	(94,267)
At 30 June	2,354,245	222,099

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

18. Contract costs (continued)

The costs of obtaining contracts primarily comprise commissions paid to introducers as a result of securing sales of development units. These costs are amortised over the property development period over 1 year (2025: 2 years).

Included in the contract costs is an amount of RM2,274,540 (2025: RM Nil) relating to reimbursable costs incurred on behalf of customers. These costs are expected to be recovered from the customer in accordance with the terms of the underlying contract.

19. Contract assets and contract liabilities

	Group	
		Restated
	2026	2025
	RM	RM
At 1 July 2025/2024	9,773,537	(2,167,848)
Revenue recognised during the year	44,863,376	19,041,717
Progress billings during the year	(46,691,337)	(6,716,102)
Advance payment from customers	(353,605)	(384,230)
At 30 June	7,591,971	9,773,537
Disclosed as:		
- Contract assets	7,945,576	10,157,767
- Contract liabilities	(353,605)	(384,230)
	7,591,971	9,773,537

The Group generally satisfies its performance obligations over time during the development period. Any excess of revenue recognised over progress billings is presented as a contract asset, whereas any deficit is presented as a contract liability.

Remaining performance obligations

As at 30 June 2026, the aggregate transaction price allocated to the remaining performance obligations amounted to approximately RM50,917,056 (2025: RM94,484,022) and the Group expects to recognise this revenue when the project is completed over the next 1 year (2025: 2 years).

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

20. Derivatives

	Group	
	2026 RM	Restated 2025 RM
Current assets		
Forward exchange contracts	79,020	32,231
Current liabilities		
Forward exchange contracts	(260,175)	(56,200)

Forward exchange contracts

Forward exchange contracts are used to hedge the exposure to currency risk. The Group does not apply hedge accounting. As at 30 June 2026, the Group had contracts with financial institutions due within 1 year to deal with the following currencies at contractual forward rates:

	2026		2025	
	To buy	To sell	To buy	To sell
Contract I	RM20,086,345	USD5,000,000	RM6,298,831	USD1,480,000
Contract II	USD500,000	RM1,975,000	USD1,000,000	RM4,302,000

21. Cash and cash equivalents

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash and bank balances	25,716,261	22,103,356	472,433	1,228,137
Term deposits with licensed banks	3,767,022	4,330,709	-	-
Short-term funds - at fair value	26,859,281	27,054,223	518,202	501,583
	56,342,564	53,488,288	990,635	1,729,720

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

21. Cash and cash equivalents (continued)

Short-term funds represent highly liquid investments in money market funds managed by financial institutions that invest in low risk instruments and are readily redeemable with insignificant risk of changes in value.

Included in the cash and bank balances of the Group are amounts totalling RM2,994,243 (2025: RM865,371) held under Housing Development Accounts opened and maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 in Malaysia.

Certain term deposits of the Group totalling RM3,767,022 (2025: RM3,249,209) have been pledged as security for credit facilities granted to the Group as disclosed in Note 27 to the financial statements. Accordingly, these term deposits are not freely available for use.

The effective interest rates of term deposits ranged from 1.75% to 2.50% (2025: 2.10% to 3.38%) per annum. The term deposits have maturity periods ranging from 30 to 365 days (2025: 15 to 365 days).

22. Share capital

	Group and Company			
	2026	2025	2026	2025
	← Number of Shares →		RM	RM
Issued and fully paid:				
At 1 July 2025/ 2024/ 30 June	326,180,803	326,180,803	210,917,984	210,917,984

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company.

Treasury shares

The shareholders of the Company, by a resolution passed at the extraordinary general meeting held on 3 July 2002, approved the Company's plan to purchase its own shares. As at 30 June 2026, there were 6,000,000 (2025: 6,000,000) ordinary shares purchased from the open market and held as treasury shares at a total cost of RM9,522,642 (2025: RM9,522,642). The number of outstanding shares in issue after excluding the treasury shares is 320,180,803 (2025: 320,180,803).

23. Capital reserve

Capital reserve represents the capitalisation of retained earnings arising from share issue by subsidiaries, and it is not available for distribution as dividends.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

24. Put option reserve and put option liability

	Group	
	2026	Restated 2025
	RM	RM
At 1 July 2025/2024	7,264,037	6,818,985
Movement in put option liability	1,492,996	445,052
At 30 June	8,757,033	7,264,037

The obligation of Avelon Healthcare Group Sdn. Bhd. to acquire the equity interest held by the non-controlling interest in Medicwave (M) Sdn. Bhd. is recognised as a put option liability at the present value of the estimated redemption amount, with the corresponding entry recognised directly in equity and presented within the Put Option Reserve.

Subsequent changes in the carrying amount of the put option liability are recognised directly in equity through the Put Option Reserve. If the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

Put option over non-controlling interest

Where the Group grants a put option to a non-controlling shareholder that gives the holder the right to require the Group to acquire the remaining equity interest in a subsidiary, a financial liability is recognised for the present value of the estimated redemption amount payable under the contractual arrangement.

The put option liability is initially recognised with a corresponding adjustment to equity and presented within the put option reserve. Subsequent changes in the carrying amount of the put option liability are recognised directly in equity through the put option reserve.

Upon settlement of the put option, the carrying amount of the liability is derecognised and any difference between the consideration paid and the carrying amount of the non-controlling interest acquired is recognised directly in equity. Where the put option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

25. Retained earnings

Under the single-tier system introduced by the Finance Act 2007 in Malaysia which came into effect from the year of assessment 2008, dividends paid under this system are tax exempt in the hands of shareholders. As such, the whole retained earnings can be distributed to shareholders as tax-exempt dividends.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

26. Payables

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Non-current				
Landowners' entitlements	16,969,500	16,969,500	-	-
Current				
Trade payables:				
- Related parties	433,664	531,679	-	-
- Unrelated parties	45,536,126	29,228,007	-	-
	45,969,790	29,759,686	-	-
Other payables:				
- Amounts due to subsidiaries	-	-	5,150,000	9,152,706
- Sundry payables	26,383,561	13,351,401	2,378	22,789
- Deposits	7,099,101	5,472,234	-	-
- Accruals	14,981,955	12,124,354	321,920	275,935
- Dividend payable to non-controlling interests	-	514,510	-	-
	48,464,617	31,462,499	5,474,298	9,451,430
Contingent consideration at fair value	1,894,730	3,444,808	-	-
	50,359,347	34,907,307	5,474,298	9,451,430
	96,329,137	64,666,993	5,474,298	9,451,430
Total payables				
Trade payables	45,969,790	29,759,686	-	-
Other payables	48,464,617	31,462,499	5,474,298	9,451,430
Contingent consideration	1,894,730	3,444,808	-	-
Landowners' entitlements	16,969,500	16,969,500	-	-
	113,298,637	81,636,493	5,474,298	9,451,430

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

26. Payables (continued)

Trade and other payables

The credit terms of trade and other payables range from 14 to 120 days (2025: 14 to 120 days).

Included in the trade payables of the Group are retention sums which are expected to be settled as below:

	2026 RM	2025 RM
Within 1 year	4,582,334	2,935,318
1 to 5 years	1,527,445	1,622,017
	6,109,779	4,557,335

Included in the sundry payables of the Group amounting to RM2,331,535 (2025: RM Nil) is an amount recognised in relation to arbitration awards arising from the ongoing litigation disclosed in Note 37 to the financial statements.

Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, interest free and repayable on demand except for certain amounts totalling RM4,631,000 (2025: RM7,621,250) which bear interest at 6.60% (2025: 6.05% to 6.60%) per annum.

Contingent consideration

	Group		Company	
		Restated		
	2026 RM	2025 RM	2026 RM	2025 RM
At 1 July 2025/2024	3,444,808	4,885,331	-	-
Payment	(1,800,000)	(1,650,000)	-	-
Fair value loss	249,922	209,477	-	-
At 30 June	1,894,730	3,444,808	-	-

The contingent consideration is payable to non-controlling interests of Medicwave (M) Sdn. Bhd. ("MMSB") upon MMSB's achieving certain guaranteed profit targets for the financial periods from 1 August 2023 to 31 July 2026.

Landowners' entitlements

Under the joint development agreements, the landowners' entitlements are determined based on the agreed number or agreed percentage of the total development units of the respective property development projects. The entitlements are recognised as part of the cost of land held for property development and property development costs, with a corresponding liability recognised until settlement in accordance with the terms of the joint development agreements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

27. Loans and borrowings

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current				
Secured				
Term loans	22,856,471	30,636,668	1,731,788	1,443,930
Current				
Secured				
Bank overdrafts	14,708,917	13,000,579	14,708,917	13,000,579
Bankers' acceptance	-	921,958	-	-
Revolving credits	59,739,900	62,802,405	13,000,000	13,000,000
Term loans	7,017,796	7,898,096	354,290	1,082,646
Unsecured				
Bankers' acceptance	13,998,514	12,003,924	-	-
Revolving credits	9,003,250	13,945,750	-	-
Financial guarantee contracts	-	-	829,250	829,250
	104,468,377	110,572,712	28,892,457	27,912,475
	127,324,848	141,209,380	30,624,245	29,356,405
Total loans and borrowings				
Bank overdrafts	14,708,917	13,000,579	14,708,917	13,000,579
Bankers' acceptance	13,998,514	12,925,882	-	-
Revolving credits	68,743,150	76,748,155	13,000,000	13,000,000
Term loans	29,874,267	38,534,764	2,086,078	2,526,576
	127,324,848	141,209,380	29,794,995	28,527,155
Financial guarantee contracts	-	-	829,250	829,250
	127,324,848	141,209,380	30,624,245	29,356,405

Secured loans and borrowings are secured against certain property, plant and equipment (Note 10), investment properties (Note 11), right-of-use assets (Note 12), inventories (Note 16) and term deposits (Note 21) to the financial statements.

Certain secured and unsecured loans and borrowings are guaranteed by the Company. The total amount guaranteed by the Company is disclosed under the "Financial guarantee contracts" section below.

27. Loans and borrowings (continued)

The effective interest rates of loans and borrowings ranged from 3.71% to 6.85% (2025: 3.99% to 8.35%) per annum.

According to the terms of the facility agreement, a secured revolving credit facility amounting to RM9,125,000 (2025: RM10,625,000) is subject to certain financial covenants. These require the subsidiary to maintain a gearing ratio of not more than 1.50 at the end of each reporting period and to obtain the bank's prior consent for any change in its shareholding.

As at 30 June 2026, the gearing ratio of the subsidiary was 1.28 (2025: 2.04).

The subsidiary has obtained an indulgence/waiver letter from the bank in respect of the covenant breach and the non-compliance does not result in the facility becoming immediately repayable for prior year.

Financial guarantee contracts

The Company entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of RM298,132,000 (2025: RM205,699,000). The total utilisation of these credit facilities as at 30 June 2026 amounted to RM113,822,000 (2025: RM124,997,000).

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the expected credit loss model under MFRS 9 and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of a financial guarantee is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

No movements on the financial guarantee contracts during the financial year.

28. Hire purchase payables

	Group	
	2026	**2025**
	RM	**RM**
Current liabilities	69,635	66,178
Non-current liabilities	18,176	87,927
	87,811	154,105

28. Hire purchase payables (continued)

Hire purchase payables are secured against certain property, plant and equipment as disclosed in Note 10 to the financial statements.

The effective interest rates of hire purchase payables as at 30 June 2026 ranged from 4.24% to 6.70% (2025: 4.24% to 6.70%) per annum.

29. Lease liabilities

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current liabilities	3,154,311	3,971,177	-	133,833
Non-current liabilities	7,506,524	10,312,079	-	-
	10,660,835	14,283,256	-	133,833

The incremental borrowing rates applied to lease liabilities ranged from 3.67% to 6.00% (2025: from 4.24% to 6.70%) per annum.

30. Government grants

	Group	
	2026 RM	2025 RM
At 1 July 2025/2024	140,041	171,750
Amortisation	(31,706)	(31,709)
At 30 June	108,335	140,041
Disclosed as:		
- Current liabilities	31,708	31,708
- Non-current liabilities	76,627	108,333
	108,335	140,041

The Group received grants from the local government under the project of modernisation and upgrading of facilities and equipment. The grants covered 50% of the cost of certain plant and machinery under the project subject to the limits approved by the local government.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

31. Deferred tax liabilities

	Group	
	2026	**2025**
	RM	**RM**
At 1 July 2025/2024	11,812,310	12,371,237
Deferred tax expense/(income) relating to origination and reversal of temporary differences	624,928	(463,227)
Over provision in prior years	(677,949)	(95,700)
At 30 June	11,759,289	11,812,310
In respect of taxable/(deductible) temporary differences of:		
- Property, plant and equipment	9,505,070	7,154,560
- Right-of-use assets	706,950	(61,000)
- Intangible assets	5,302,648	5,722,750
- Financial instruments	(963,052)	(637,000)
- Lease liabilities	(405,005)	(367,000)
- Unutilised tax losses	(499,434)	-
- Unabsorbed capital allowances	(1,887,888)	-
	11,759,289	11,812,310

The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	2026	**2025**
	RM	**RM**
Deductible temporary differences of:		
- Property, plant and equipment	9,239,000	17,989,000
- Lease liabilities	(190,000)	(145,000)
- Provisions	(726,000)	(929,000)
- Inventories	(1,257,000)	(1,306,000)
Unabsorbed capital allowances	(17,960,000)	(31,624,000)
Unutilised tax losses:		
- Expiring in year of assessment 2028	(17,652,000)	(17,920,000)
- Expiring in year of assessment 2029	(821,000)	(827,000)
- Expiring in year of assessment 2030	(1,796,000)	(1,796,000)
- Expiring in year of assessment 2031	(356,000)	(2,203,000)
- Expiring in year of assessment 2032	(2,116,000)	(4,760,000)
- Expiring in year of assessment 2033	(7,148,000)	(10,856,000)
- Expiring in year of assessment 2034	(11,191,000)	(12,290,000)
- Expiring in year of assessment 2035	(11,459,000)	(12,548,000)
- Expiring in year of assessment 2036	(510,000)	-
	(63,943,000)	(79,215,000)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

32. Significant related party transactions

(a) Identities of related parties:

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

Related parties of the Group include:
(i) Subsidiaries;
(ii) Entities in which directors have substantial financial interests; and
(iii) Key management personnel of the Group and of the Company, comprising persons having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Acquisition of trademark from a director of subsidiary	-	2,200,000	-	-
Dividends declared by subsidiaries	-	-	26,329,300	18,927,450
Interest charged by subsidiaries	-	-	25,471	87,706
Interest charged to subsidiaries	-	-	3,340,981	1,922,187
Management fees charged by subsidiary	-	-	-	1,349,190
Purchase of goods from other related parties[(a)]	2,351,808	1,514,493	-	-
Redemption of shares by subsidiaries	-	-	17,800,000	1,100,000
Rendering of services to other related party[(a)]	56,582,767	3,506,071	-	-
Rental charged by other related parties[(a)]	1,961,739	950,399	145,032	149,490

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

32. Significant related party transactions (continued)

(b) Significant related party transactions (continued)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Sale of goods to other related parties[(a)]	9,143,169	115,748	-	-
Subscription for shares in subsidiaries	-	-	16,800,000	16,000,000

(a) Being companies in which certain directors have substantial financial interests

Details of outstanding balances with related parties are disclosed in Notes 17 and 26 to the financial statements.

(c) Key management personnel compensation

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Directors of the Company:				
- Fees	70,000	71,424	70,000	66,424
- Other short-term employee benefits	1,312,477	1,317,026	556,140	594,879
- Defined contribution plans	112,074	108,662	21,306	23,097
	1,494,551	1,497,112	647,446	684,400
Directors of subsidiaries:				
- Fees	-	30,000	-	-
- Other short-term employee benefits	3,660,622	3,810,339	-	-
- Defined contribution plans	444,109	472,776	-	-
	4,104,731	4,313,115	-	-
	5,599,282	5,810,227	647,446	684,400

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments

The Group has arrived at 6 reportable segments that are organised and managed separately according to the products and services, which require different business and marketing strategies. The reportable segments are summarised as follows:

(i) Manufacturing	-	Manufacture of precision machined components, precision metal stamping, sheet metal parts, surface treatment, precision moulds and parts, tooling and form dies, semiconductor assembly and testing equipment, metal works and structures, modules and parts for oil and gas production and extraction equipment and components and sub-assemblies for aerospace parts
(ii) Property development	-	Property development and property management
(iii) Pharmaceutical and healthcare	-	Wholesale and retail sale of pharmaceutical and healthcare products
(iv) Asset management	-	Property letting, operation of dormitory and hotel operators
(v) Investment holding	-	Investment holding
(vi) Others	-	Money lending and management services

The accounting policies of operating segments are the same as those described in the respective notes to the financial statements. The Group evaluates performance on the basis of profit or loss from operations after tax not including non-recurring gains/(losses), such as bargain purchase gain and goodwill on consolidation written off. These policies have been applied consistently throughout the current and previous financial years.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position. The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments (continued)

Group	Manufacturing RM	Property development RM	Pharmaceutical and healthcare RM	Asset management RM	Investment holding RM	Others RM	Consolidation adjustments and eliminations RM	Total RM
2026								
Statement of financial position								
Segment assets	389,419,678	208,529,620	95,247,435	25,995,051	371,120,813	19,285,539	(417,470,092)	692,128,044
Included in the measure of segment assets are:								
- Additions to non-current assets	47,584,012	6,966,359	328,563	465,662	9,962,194	7,915	(4,356,939)	60,957,766
Segment liabilities	204,912,997	97,248,623	31,988,310	8,981,728	37,169,193	794,861	(105,396,848)	275,698,864

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments (continued)

Group	Manufacturing RM	Property development RM	Pharmaceutical and healthcare RM	Asset management RM	Investment holding RM	Others RM	Consolidation adjustments and eliminations RM	Total RM
2026								
Statement of profit or loss and other comprehensive income								
Segment profit/(loss)	36,655,360	2,074,169	5,395,232	3,689,223	(27,606,992)	762,556	28,216,974	49,186,522
Other information:								
- External revenue	364,080,553	49,000,376	82,850,486	36,354,512	-	384,514	-	532,670,441
- Inter-segment revenue	22,404,122	1,514,736	10,410,531	792,482	48,608,600	10,913,397	(94,643,868)	-
- Interest income	692,281	123,524	231,654	130,960	3,369,703	9,104	(3,366,451)	1,190,775
- Non-cash income	1,870,166	6,051	56,386	116,590	-	6,762	(180,534)	1,875,421
- Interest expense	5,327,413	2,831,913	616,300	180,806	1,870,572	216	(4,025,431)	6,801,789
- Amortisation and depreciation	26,036,783	320,008	851,795	3,078,254	197,645	87,031	(2,720,589)	27,850,927
- Other non-cash expenses	1,064,643	673	973,378	8,504,148	3,199	217	(140,858)	10,405,400
- Tax expense	7,835,386	1,271,509	1,597,195	1,285,885	16,002	214,458	(174,662)	12,045,773

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments (continued)

Group (Restated)	Manufacturing RM	Property development RM	Pharmaceutical and healthcare RM	Asset management RM	Investment holding RM	Others RM	Consolidation adjustments and eliminations RM	Total RM
2025								
Statement of financial position								
Segment assets	344,565,827	203,006,701	57,602,055	29,595,185	374,947,631	18,500,643	(398,717,406)	629,500,636
Included in the measure of segment assets are:								
- Additions to non-current assets	43,312,926	52,400	2,287,085	1,003,691	23,438	140,625	(772,993)	46,047,172
Segment liabilities	173,305,206	93,799,873	32,997,536	12,221,085	39,718,318	772,520	(93,879,592)	258,934,946

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments (continued)

Group (Restated)	Manufacturing RM	Property development RM	Pharmaceutical and healthcare RM	Asset management RM	Investment holding RM	Others RM	Consolidation adjustments and eliminations RM	Total RM
2025								
Statement of profit or loss and other comprehensive income								
Segment profit/(loss)	10,022,482	(1,891,250)	1,433,233	2,719,126	23,952,108	222,095	(57,296,586)	(20,838,792)
Other information:								
- External revenue	214,894,367	22,127,637	76,735,830	27,035,158	-	421,735	-	341,214,727
- Inter-segment revenue	27,248,660	1,463,147	-	1,390,200	36,154,900	9,357,399	(75,614,306)	-
- Interest income	933,273	103,014	255,751	48,369	1,960,064	14,060	(1,922,187)	1,392,344
- Non-cash income	815,165	-	2,101,346	-	22,451	3,568	(162,694)	2,779,836
- Interest expense	4,335,548	2,728,243	915,183	276,793	1,492,380	6,530	(2,747,607)	7,007,070
- Amortisation and depreciation	22,297,136	274,133	1,537,455	3,163,838	229,049	185,097	(5,496,059)	22,190,649
- Other non-cash expenses	4,106,677	758,689	186,934	2,849,990	30,336,956	-	-	38,239,246
- Tax expense	6,306,318	352,570	1,030,529	1,141,824	312,969	166,035	(46,782)	9,263,463

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

33. Operating segments (continued)

Geographical information

The manufacturing facilities and sales offices of the Group are mainly based in Malaysia.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from where the customers are originated.

The majority of the segment assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown/details of the segment assets and liabilities of the Group.

Revenue information based on the geographical location of customers is presented in Note 3 to the financial statements. Revenue from contracts with customers amounted to RM529,526,973, while other revenue of RM3,143,468 was derived from Malaysia.

Major customers

The Group has two major customers which individually contributed 10% or more of the Group's total revenue during the financial year. Revenue derived from these customers amounted to RM66,874,839 and RM55,004,136 respectively.

34. Contractual commitments

	Group	
	2026	2025
	RM	RM
Contracted but not provided for:		
Acquisition of property, plant and equipment	7,051,968	22,639,000

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments

Categories of financial instrument

	Carrying amount RM	FVTPL RM	AC RM
Group			
2026			
Financial assets			
Other investments	12,782,525	12,782,525	-
Derivatives	79,020	79,020	-
Short-term funds	26,859,282	26,859,282	-
Receivables	108,270,356	-	108,270,356
Term deposits	3,767,022	-	3,767,022
Cash and bank balances	25,716,260	-	25,716,260
	177,474,465	39,720,827	137,753,638
Financial liabilities			
Derivatives	260,175	260,175	-
Contingent consideration	1,894,730	1,894,730	-
Put option liability	8,757,033	8,757,033	-
Trade payables	45,969,790	-	45,969,790
Other payables	48,464,617	-	48,464,617
Loans and borrowings	127,324,848	-	127,324,848
Hire purchase payables	87,811	-	87,811
	232,759,004	10,911,938	221,847,066
Restated			
2025			
Financial assets			
Other investments	2,829,831	2,829,831	-
Derivatives	32,231	32,231	-
Short-term funds	27,054,223	27,054,223	-
Receivables	82,075,248	-	82,075,248
Term deposits	4,330,709	-	4,330,709
Cash and bank balances	22,103,356	-	22,103,356
	138,425,598	29,916,285	108,509,313

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Categories of financial instrument (continued)

	Carrying amount RM	FVTPL RM	AC RM
Restated 2025			
Financial liabilities			
Derivatives	56,200	56,200	-
Contingent consideration	3,444,808	3,444,808	-
Put option liability	7,264,037	7,264,037	-
Trade payables	29,759,686	-	29,759,686
Other payables	31,462,499	-	31,462,499
Loans and borrowings	141,209,380	-	141,209,380
Hire purchase payables	154,105	-	154,105
	213,350,715	10,765,045	202,585,670

Company	Carrying amount RM	FGC RM	FVTPL RM	AC RM
2026				
Financial assets				
Other investments	9,962,194	-	9,962,194	-
Short-term funds	518,202	-	518,202	-
Receivables	78,087,584	-	-	78,087,584
Cash and bank balances	472,433	-	-	472,433
	89,040,413	-	10,480,396	78,560,017
Financial liabilities				
Other payables	5,474,298	-	-	5,474,298
Loans and borrowings	29,794,995	-	-	29,794,995
Financial guarantee contracts (“FGC”)	829,250	829,250	-	-
	36,098,543	829,250		35,269,293

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Categories of financial instrument (continued)

Company	Carrying amount RM	FGC RM	FVTPL RM	AC RM
2025				
Financial assets				
Other investments	1,500	-	1,500	-
Short-term funds	501,583	-	501,583	-
Receivables	64,228,274	-	-	64,228,274
Cash and bank balances	1,228,137	-	-	1,228,137
	65,959,494	-	503,083	65,456,411
2025				
Financial liabilities				
Other payables	9,451,430	-	-	9,451,430
Loans and borrowings	28,527,155	-	-	28,527,155
Financial guarantee contracts ("FGC")	829,250	829,250	-	-
	38,807,835	829,250	-	37,978,585

Net (gains)/losses arising from financial instruments

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Net (gains)/losses arising on:				
Financial assets measured at FVTPL				
Gain on disposal of other investment	(28,500)	-	(28,500)	-
Fair value loss/(gain) on:				
- other investment	8,000	(1,581,786)	-	-
- derivatives	36,487	48,259	-	-
Interest income from:				
- short-term fund	(851,701)	(1,086,485)	(16,619)	(22,016)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Net gains/(losses) arising from financial instruments (continued)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial assets measured at AC				
Interest income from:				
- bank	(339,074)	(305,859)	(9,884)	(13,395)
- amount due from subsidiaries	-	-	(3,340,981)	(1,922,187)
Impairment loss on financial assets	1,592,253	448,088	1,107,435	-
Bad debt written off	990	-	-	-
Loss/(Gain) on foreign exchange:				
- Realised	1,898,315	991,540	-	-
- Unrealised	(1,176,897)	97,553	-	-
Loss on derecognition of financial assets	-	92,692	-	-
Financial liabilities measured at FVTPL				
Fair value loss on:				
- Contingent consideration	249,922	209,477	-	-
Financial liabilities measured at AC				
Interest expense for:				
- Loans and borrowings	6,352,119	6,349,969	1,841,902	1,394,701
- Hire purchase payables	6,234	6,579	-	-
- Amount due to subsidiaries	-	-	25,471	87,706

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, foreign currency risk, interest rate risk, other price risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their credit risk, foreign currency risk, interest rate risk, other price risk and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group recognises a loss allowance for expected credit losses on trade receivables. For trade receivables, the Group applies the simplified approach under MFRS 9, which requires lifetime expected credit losses to be recognised at all times. Expected credit losses are estimated using a provision matrix based on historical credit loss experience, adjusted for current conditions and forward-looking information that may affect customers' ability to settle outstanding balances. The loss allowance is reviewed at each reporting date and adjusted to reflect changes in credit risk and expected recovery patterns.

Credit risk concentration profile

As at 30 June 2026, there were 3 (2025: 2) major customers that individually accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from these major customers amounted to RM31,373,772 (2025: RM14,291,726).

Maximum exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any loss allowance recognised. Property loans receivable amounting to RM6,683,327 (2025: RM7,052,799) are secured by the related development units sold and such collateral mitigates the Group's exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Maximum exposure to credit risk (continued)

In addition, the Company's maximum exposure to credit risk includes financial guarantees provided to its subsidiaries. The maximum credit risk exposure arising from these financial guarantees is the total utilisation of the credit facilities granted to the subsidiaries as disclosed in Note 27 to the financial statements.

Assessment of impairment losses

The Group's exposure to credit risk is monitored on an ongoing basis through periodic review of the ageing of the receivables. The Group closely monitors the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

Trade receivables and contract assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 180 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The changes in the loss allowance are as follows:

	Not credit-impaired RM	Credit-impaired RM	Total RM
Balance at 1 July 2025	4,362	2,827,593	2,831,955
Impairment/(Reversal)	81,932	(619,784)	(537,852)
Balance at 30 June 2026	86,294	2,207,809	2,294,103
Balance at 1 July 2024	130,311	2,302,057	2,432,368
(Reversal)/Impairment	(125,949)	525,536	399,587
Balance at 30 June 2025	4,362	2,827,593	2,831,955

	Gross amount RM	Loss allowance RM	Carrying amount RM
2026			
Not past due	67,165,000	(16,032)	67,148,968
Past due:			
- 1 to 30 days	14,243,641	(7,502)	14,236,139
- 31 to 60 days	4,437,354	(3,975)	4,433,379
- 61 to 90 days	7,816,477	(10,393)	7,806,084
- 91 to 120 days	3,876,489	(48,392)	3,828,097
Credit impaired	2,207,809	(2,207,809)	-
Trade receivables	99,746,770	(2,294,103)	97,452,667
Contract assets	7,945,576	-	7,945,576
Total	107,692,346	(2,294,103)	105,398,243
2025			
Not past due	53,610,878	(3,511)	53,607,367
Past due:			
- 1 to 30 days	10,425,334	(851)	10,424,483
- 31 to 60 days	1,496,573	-	1,496,573
- 61 to 90 days	2,001,513	-	2,001,513
- More than 90 days	4,033,664	-	4,033,664
Credit impaired	2,827,593	(2,827,593)	-
Trade receivables	74,395,555	(2,831,955)	71,563,600
Contract assets	10,157,767	-	10,157,767
Total	84,553,322	(2,831,955)	81,721,367

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Assessment of impairment losses (continued)

Trade receivables and contract assets (continued)

Allowance for impairment losses (continued)

The average credit loss rates were based on the payment profile of revenue over a period of 36 (2025: 36) months and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Other receivables and amounts due from subsidiaries

The Group and the Company apply the general approach to measuring expected credit losses for their other receivables and amounts due from subsidiaries. Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company measure the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

Allowance for impairment losses

The changes in the loss allowance are as follows:

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Balance at 1 July	48,501	-	2,271,156	2,271,156
Impairment losses	2,130,105	48,501	1,107,435	-
Balance at 30 June	2,178,606	48,501	3,378,591	2,271,156

The above loss allowance relates to individually assessed credit-impaired other receivables and amounts due from subsidiaries. During the financial year, the Company recognised an impairment loss of RM1,107,435 on certain amounts due from subsidiaries based on an assessment of their financial position, repayment capacity and expected recoverability of the outstanding balances. The total loss allowance recognised in respect of amounts due from subsidiaries amounted to RM3,378,591 as at 30 June 2026 (2025: RM2,271,156).

Based on the low historical observed default rates, adjusted for forward-looking information, the expected credit losses on other receivables and amounts due from subsidiaries that are not credit-impaired are not considered material and, accordingly, no loss allowance has been recognised in respect of those balances.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Allowance for impairment losses (continued)

Term deposits with licensed banks, cash and bank balances

The Group considers the licensed banks have low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Financial guarantee contracts

As disclosed in Note 27 to the financial statements, certain financial guarantee contracts have been recognised at fair value on initial recognition, determined based on the present value of the difference between the contractual cash flows due under the debt instrument and the cash flows that would be expected without the guarantee. Subsequently, the financial guarantee contracts are measured in accordance with the accounting policy set out in Note 2(j) to the financial statements.

Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM	More than 5 years RM
2026					
Non-derivative financial liabilities					
Trade payables	45,969,790	45,969,790	44,442,345	1,527,445	-
Other payables	48,464,617	48,464,617	48,464,617	-	-
Contingent consideration	1,894,730	1,950,000	1,950,000	-	-
Put option liability	8,757,033	8,946,329	8,946,329	-	-
Bank overdrafts	14,708,917	14,708,917	14,708,917	-	-
Banker acceptance	13,998,514	13,998,514	13,998,514	-	-
Revolving credits	68,743,150	68,743,150	68,743,150	-	-
Term loans	29,874,268	34,604,021	8,600,111	23,075,868	2,928,042
Hire purchase payables	87,811	91,053	72,528	18,525	-
Lease liabilities	10,660,835	11,964,197	3,640,950	8,323,247	-
	243,159,665	249,440,588	213,567,461	32,945,085	2,928,042

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Group	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM	More than 5 years RM
2026					
Derivative financial liabilities					
Forward exchange contracts (gross settled):	260,175				
- gross payments		20,086,345	20,086,345	-	-
- gross receipts		1,975,000	1,975,000	-	-
	243,419,840	271,501,933	235,628,806	32,945,085	2,928,042

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Restated	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM	More than 5 years RM
Group					
2025					
Non-derivative financial liabilities					
Trade payables	29,759,686	29,759,686	28,137,669	1,622,017	-
Other payables	31,462,499	31,462,499	31,462,499	-	-
Contingent consideration	3,444,808	3,750,000	1,800,000	1,950,000	-
Put option liability	7,264,037	7,264,037	7,264,037	-	-
Bank overdrafts	13,000,579	13,000,579	13,000,579	-	-
Banker acceptance	12,925,882	12,925,882	12,925,882	-	-
Revolving credits	76,748,155	76,748,155	76,748,155	-	-
Term loans	38,534,764	44,571,061	9,525,395	27,038,781	8,006,885
Hire purchase payables	154,105	163,566	72,528	91,038	-
Lease liabilities	14,283,256	16,831,935	4,391,440	9,740,495	2,700,000
	227,577,771	236,477,400	185,328,184	40,442,331	10,706,885

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

	Carrying amount	Contractual undiscounted cash flows	Within 1 year	1 – 5 years	More than 5 years
Restated	**RM**	**RM**	**RM**	**RM**	**RM**
Group					
2025					
Derivative financial liabilities					
Forward exchange contracts (gross settled):	56,200				
- gross payments		6,298,831	6,298,831	-	-
- gross receipts		4,302,000	4,302,000	-	-
	227,633,971	247,078,231	195,929,015	40,442,331	10,706,885

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Company 2026	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM	More than 5 years RM
Non-derivative financial liabilities					
Other payables	5,474,298	5,474,298	5,474,298	-	-
Bank overdrafts	14,708,917	14,708,917	14,708,917	-	-
Revolving credits	13,000,000	13,000,000	13,000,000	-	-
Term loans	2,086,078	2,360,195	426,444	1,326,812	606,939
Financial guarantee contracts*	829,250	113,344,000	113,344,000	-	-
	36,098,543	148,887,410	146,953,659	1,326,812	606,939

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Maturity analysis (continued)

The table below shows summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Company 2025	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 – 5 years RM
Non-derivative financial liabilities				
Other payables	9,451,430	9,451,430	9,451,430	-
Bank overdrafts	13,000,579	13,000,579	13,000,579	-
Revolving credits	13,000,000	13,000,000	13,000,000	-
Term loans	2,526,576	2,708,479	1,176,000	1,532,479
Financial guarantee contracts*	829,250	124,997,000	124,997,000	-
	38,807,835	163,157,488	161,625,009	1,532,479

* *The disclosure represents the maximum amount that is required to be settled in the event of a default and the lenders, where applicable, call on the Company to pay for a subsidiary.*

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Foreign currency risk

The Group's exposure to currency risk arises mainly from transactions entered into by individual entities within the Group in currencies other than their functional currency. The functional currency within the Group is Ringgit Malaysia ("RM"), whereas the major foreign currency transacted in is US Dollar ("USD"). The gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:

Group	USD RM	Total RM
2026		
Financial assets		
Receivables	41,632,483	41,632,483
Cash and cash equivalents	1,492,178	1,492,178
	43,124,661	43,124,661
Financial liabilities		
Payables	(15,103,174)	(15,103,174)
Loans and borrowings	(12,492,404)	(12,492,404)
	(27,595,578)	(27,595,578)
Net currency exposure	15,529,083	15,529,083
2025		
Financial assets		
Receivables	31,244,162	31,244,162
Cash and cash equivalents	4,109,520	4,109,520
	35,353,682	35,353,682
Financial liabilities		
Payables	(7,770,454)	(7,770,454)
Loans and borrowings	(24,394,230)	(24,394,230)
	(32,164,684)	(32,164,684)
Net currency exposure	3,188,998	3,188,998

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Foreign currency risk (continued)

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:

(i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.

(ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

	Group	
	2026 Increase/ (Decrease) RM	**2025 Increase/ (Decrease) RM**
Effects on profit after taxation:		
USD/RM		
Strengthen by 3% (2025: 3%)	354,063	72,709
Weaken by 3% (2025: 3%)	(354,063)	(72,709)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and financial liabilities.

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the reporting date and the periods in which they mature or reprice.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Interest rate risk (continued)

The following table shows information on the Group's and the Company's exposure to interest rate risk.

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Fixed rate instruments				
Term deposits	3,767,022	4,330,709	-	-
Banker acceptance	13,998,514	12,925,882	-	-
Hire purchase payables	87,811	154,105	-	-
Lease liabilities	10,660,835	14,283,256	-	133,833
Floating rate instruments				
Loan receivables	6,683,327	7,052,799	-	-
Amounts due from subsidiaries	-	-	58,303,200	48,370,700
Amounts due to subsidiaries	-	-	-	7,621,250
Bank overdrafts	14,708,917	13,000,579	14,708,917	13,000,579
Revolving credits	68,743,150	76,748,155	13,000,000	13,000,000
Term loans	29,874,268	38,534,764	2,086,078	2,526,576

Sensitivity analysis for fixed rate instruments

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss.

Sensitivity analysis for floating rate instruments

For floating rate financial instruments measured at amortised cost, the following table details the sensitivity to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant, on the Group's and the Company's profit after taxation:

	Group		Company	
	2026 Increase/ (Decrease)	2025 Increase/ (Decrease)	2026 Increase/ (Decrease)	2025 Increase/ (Decrease)
Effects on profit after taxation				
Increase of 50 basis points	405,243	460,677	(108,331)	(104,366)
Decrease of 50 basis points	(405,243)	(460,677)	108,331	104,366

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Other price risk

The Group's exposure to other price risk arises mainly from its investments in quoted and unquoted securities.

The Group manages its investment portfolio on an individual investment basis and monitors market conditions, investment performance and developments affecting the underlying investees on an ongoing basis.

The Group and the Company are exposed to changes in the fair value of these investments arising from movements in market prices and valuation inputs. As a significant portion of these investments comprises unquoted investments measured using valuation techniques involving unobservable inputs, the effect of reasonably possible changes in those inputs is disclosed in the fair value measurement section where applicable. The actual impact on profit or loss and equity may differ from management's estimates and assumptions.

Fair values

The aggregate fair values and the carrying amounts of financial assets and liabilities carried on the statement of financial position are as below:

Fair value hierarchy

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2026				
Financial assets				
Other investments:				
- Quoted	8,893	-	-	8,893
- Unquoted	-	-	12,773,632	12,773,632
Derivatives:				
- Forward exchange contracts	79,020	-	-	79,020
Short-term funds	26,859,281	-	-	26,859,281
Financial liabilities				
Derivatives:				
- Forward exchange contracts	260,175	-	-	260,175
Contingent consideration	-	-	1,894,730	1,894,730
Put option liability	-	-	8,757,033	8,757,033

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Fair values (continued)

The aggregate fair values and the carrying amounts of financial assets and liabilities carried on the statement of financial position are as below:

Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2025 (Restated)				
Financial assets				
Other investments:				
- Quoted	16,893	-	-	16,893
- Unquoted	-	-	2,812,938	2,812,938
Derivatives:				
- Forward exchange contracts	32,231	-	-	32,231
Short-term funds	27,054,223	-	-	27,054,223
Financial liabilities				
Derivatives:				
- Forward exchange contracts	56,200	-	-	56,200
Contingent consideration	-	-	3,444,808	3,444,808
Put option liability	-	-	7,264,037	7,264,037
Company				
2026				
Financial assets				
Other investments:				
- Unquoted	-	-	9,962,194	9,962,194
Short-term funds	518,202	-	-	518,202
Financial liabilities				
Term loans	-	2,086,078	-	2,086,078
Financial guarantee contracts	-	-	829,250	829,250

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Fair values (continued)

The aggregate fair values and the carrying amounts of financial assets and liabilities carried on the statement of financial position are as below:

Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Company				
2025				
Financial assets				
Other investments:				
- Unquoted	-	-	1,500	1,500
Short-term funds	501,583	-	-	501,583
Financial liabilities				
Term loans	-	2,526,576	-	2,526,576
Financial guarantee contracts	-	-	829,250	829,250

Fair value of financial instruments carried at fair value

The fair values of quoted investments are directly measured using their unadjusted closing prices in active markets.

The fair values of unquoted investments are estimated based on management's estimation by reference to market evidence of transaction price, and external and independent valuers, having appropriate recognised professional qualifications and recent experience in the industry and category of investments being valued.

The fair values of derivatives and short-term funds are directly measured using their unadjusted market values quoted by financial institutions.

The fair values of contingent consideration and put option liability are measured using a probability-weighted present value technique by discounting the expected future cash flows at a discount rate derived from the observable cost of capital of comparable listed companies.

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

35. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Fair values (continued)

Fair value of financial instruments not carried at fair value

The fair values of long-term trade receivables, term loans and hire purchase payables are measured using the present value technique by discounting the expected future cash flows using observable current market interest rates for similar assets or liabilities.

The fair values of financial guarantee contracts are measured using the present value technique by discounting the difference in expected future cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or by reference to the estimated amount payable to a third party for assuming the obligations.

36. Capital management

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group manages its capital based on a debt-to-equity ratio that complies with debt covenants and regulatory requirements, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, interest bearing debts less available cash. The debt-to-equity ratio of the Group at the end of the reporting period is as follows:

	Group		Company	
	2026 RM	Restated 2025 RM	2026 RM	2025 RM
Amounts due to subsidiaries	-	-	5,150,000	7,621,250
Loans and borrowings	127,324,848	141,209,380	30,624,245	29,356,405
Hire purchase payables	87,811	154,105	-	-
Lease liabilities	10,660,835	14,283,256	-	133,833
Total interest bearing debts	138,073,494	155,646,741	35,774,245	37,111,488
Less: Available cash	(52,575,542)	(50,239,079)	(990,635)	(1,729,720)
Net debt	85,497,952	105,407,662	34,783,610	35,381,768
Total equity	416,429,180	370,565,690	280,538,825	281,478,987
Debt-to-equity ratio (times)	0.21	0.28	0.12	0.13

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

37. Material litigation

A wholly-owned subsidiary of the Company, LD Global Sdn. Bhd. ("LD Global") is involved in arbitration proceedings with Khor Khye Hin Constructions Sdn. Bhd. ("KKH") arising from a construction contract relating to the Lavanya Langkawi development project.

On 9 January 2026, the arbitrator issued a Final Award against the subsidiary and, on 14 January 2026, an Additional Award was issued in relation to the same arbitration proceedings.

The total amount awarded, including interest and costs, amounted to RM2,331,535. The Group has recognised the full amount of the awards as a liability in the financial statements for the financial year ended 30 June 2026, as disclosed in Note 26 to the financial statements.

On 24 September 2026, the High Court of Malaya dismissed the subsidiary's application to set aside the Final Award and Additional Award and allowed the counterparty's application to register the awards.

On 2 October 2026, the subsidiary filed appeals against both decisions to the Court of Appeal. As at the date of authorisation of these financial statements, the appeals remain pending and case management has been fixed on 4 January 2027.

Based on legal advice received, the Directors are of the view that the liability recognised at 30 June 2026 adequately reflects the Group's present obligation arising from the awards. Any additional exposure, if any, would principally relate to further interest, legal costs and other costs associated with the appeal proceedings, the amount of which cannot presently be estimated reliably.

38. Prior year adjustments

Group	As previously reported RM	Prior year adjustments RM	As restated RM
Statements of Financial Position as at 30 June 2025			
Non-current assets			
Inventories	64,408,158	6,042,126	70,450,284
Current assets			
Inventories	155,624,917	2,369,511	157,994,428
Contract assets	10,870,332	(712,565)	10,157,767
Receivables	74,409,574	1,000,000	75,409,574
Derivatives	1,038,551	(1,006,320)	32,231
Equity			
Put option reserve	(4,833,628)	(2,430,409)	(7,264,037)
Retained earnings	(161,242,070)	(4,162,592)	(165,404,662)
Non-controlling interests	(9,570,833)	91,110	(9,479,723)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

38. Prior year adjustments (continued)

	As previously reported RM	Prior year adjustments RM	As restated RM
Group			
Statements of Financial Position as at 30 June 2025			
Non-current liabilities			
Payables	(13,425,524)	(3,543,976)	(16,969,500)
Current liabilities			
Payables	(64,444,878)	(222,115)	(64,666,993)
Put option liability	(4,978,449)	(2,285,588)	(7,264,037)
Statements of Profit or Loss and Other Comprehensive Income for financial year ended 30 June 2025			
Revenue	341,927,292	(712,565)	341,214,727
Cost of sales	(259,129,328)	(667,768)	(259,797,096)
Other income	13,072,093	(461,158)	12,610,935
Administrative and general expenses	(88,303,143)	(298,227)	(88,601,370)
Finance costs	(8,224,638)	1,217,568	(7,007,070)
Loss representing total comprehensive loss for the financial year	(19,916,642)	(922,150)	(20,838,792)
Non-controlling interests	(4,740,186)	(91,110)	(4,831,296)
Earnings/(Loss) per share:			
Basic (sen per share)	(4.74)	(0.26)	(5.00)
Diluted (sen per share)	(4.74)	(0.26)	(5.00)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

38. Prior year adjustments (continued)

	As previously reported RM	Effect of adjustments RM	As restated RM
Statements of Cash Flows for the financial year ended 30 June 2025			
Cash flows from operating activities			
Net cash from operating activities	17,695,132	443,254	18,138,386
Cash flows from financing activities			
Net cash from financing activities	5,582,279	144,821	5,727,100
Cash and cash equivalents at 1 July 2024	51,421,915	(1,453,449)	49,968,466
Cash and cash equivalents at 30 June 2025	37,238,500	(865,371)	36,373,129

The prior year adjustments did not have any significant impacts on the reported cash flows.

The nature of these adjustments and restated is described below:

(a) The subsidiaries of the Group entered into joint development agreements ("JDAs") with landowners, under which the landowners are entitled to specified portions of completed development units arising from the development projects.

Following a reassessment of the terms of the JDAs, management concluded that the landowners' entitlement represents an obligation to transfer completed development units rather than cash or another financial asset. Accordingly, the landowners' entitlement does not meet the definition of a financial liability under MFRS 132 and is not within the scope of MFRS 9.

The Group has therefore retrospectively restated the comparative financial statements to reverse the present value discounting, unwinding of discount recognised as finance costs and related remeasurement adjustments previously recognised.

The restatement also resulted in consequential adjustments to land held for property development, property development costs, inventories, contract assets, revenue, cost of sales, administrative expenses, equity and non-controlling interests to reflect the revised accounting treatment. The related tax effects, where applicable, have also been recognised.

The effects of the restatement on the affected line items of the financial statements are presented in the tables above.

38. Prior year adjustments (continued)

The nature of these adjustments and restated is described below: (continued)

(b) During the current financial year, management reassessed the presentation adopted in the prior financial year in respect of an advance payment of RM1,000,000 made to the landowner pursuant to the Joint Development Agreement ("JDA").

Based on the terms of the JDA, the payment is deductible from the landowner's entitlement and does not represent additional consideration payable to the landowner.

Accordingly, management determined that the payment does not give rise to a new financial liability nor alter the nature of the landowner's entitlement under the JDA. The payment represents an advance settlement of the landowner's entitlement and should be separately presented and monitored against the future settlement of the landowner's entitlement obligation.

Prior to the reassessment, the advance payment had been presented as a reduction of landowners' entitlement payable. Following the reassessment, management concluded that separate presentation provides more relevant information regarding the outstanding landowners' entitlement obligation and the advance payment made.

Accordingly, the comparative statement of financial position has been restated to increase other receivables by RM1,000,000 and increase landowners' entitlement payable by RM1,000,000. The restatement has no impact on profit, total assets, total liabilities or total equity.

(c) On 23 February 2024, Avelon Healthcare Group Sdn. Bhd. ("AHGSB"), an indirect subsidiary of the Company, acquired a 70% equity interest in Medicwave (M) Sdn. Bhd. ("Medicwave"). The remaining 30% equity interest was retained by the Founders.

The guaranteed profit periods referred to in Note 24 and Note 26 to the financial statements commenced on 1 August 2023 pursuant to the commercial terms agreed between the parties prior to completion of the acquisition. The commencement of the guaranteed profit periods does not represent the date on which control of Medicwave was obtained by the Group. Control was obtained upon completion of the acquisition on 23 February 2024.

Under a Put and Call Option Agreement dated 4 March 2024, the Founders were granted a put option to require AHGSB to acquire the remaining 30% equity interest in Medicwave, while AHGSB was granted a corresponding call option over the same shares. Medicwave has been consolidated as a subsidiary since the acquisition date.

AHGSB is a 70%-owned subsidiary within the Avelon Healthcare sub-group. Accordingly, although AHGSB acquired a 70% equity interest in Medicwave, the Group's effective interest in Medicwave is 49%, which is consistent with the interest disclosed in Note 14 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

38. Prior year adjustments (continued)

The nature of these adjustments and restated is described below: (continued)

(c) Subsequent to the reporting date, the Founders exercised the put option on 12 August 2026. Whilst the exercise occurred after the end of the reporting period, it prompted management to reassess the accounting treatment of the contractual arrangement and the obligations arising therefrom.

Following a reassessment of the contractual terms of the Put and Call Option Agreement, management concluded that the Group should have recognised the obligation arising from the put option granted to the Founders from the acquisition date. The adjustments of this obligation in the previously issued financial statements constituted a prior-period error.

Accordingly, the Group has retrospectively restated the comparative financial statements in accordance with MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors. The restatement resulted in:

- recognition of a put option liability arising from the Group's contractual obligation to acquire the Founders' remaining 30% equity interest in Medicwave;
- reclassification and derecognition adjustments relating to the previously recognised call option arrangement;
- recognition of the corresponding adjustments within equity through the put option reserve in accordance with the Group's accounting policy for transactions with non-controlling interests; and
- consequential adjustments to non-controlling interests and retained earnings.

The effects of the restatement on the affected line items of the financial statements are presented below and in Note 24 to the financial statements.

39. Events after the reporting period

(a) On 12 August 2026, the put option under the Put and Call Option Agreement in respect of the remaining 30% equity interest in Medicwave was exercised. The transaction is expected to be completed by November 2026. Upon completion, Medicwave will become a wholly-owned subsidiary of the Group.

(b) On 26 August 2026, the Directors proposed a first and final single-tier dividend of 3.0 sen per ordinary share in respect of the financial year ended 30 June 2026, subject to shareholders' approval at the forthcoming Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

40. General information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally involved in investment holding and provision of management services. The principal activities of the subsidiaries are as stated in Note 14 to the financial statements.

The registered office and principal place of business of the Company are located at 3rd Floor, Wisma Kobay, No. 42-B Jalan Rangoon, 10400 George Town, Penang, Malaysia.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors on 27 October 2026.